



P.O. Box 1209
Seattle, Washington 98111
www.portseattle.org
206.787.3000

**APPROVED MINUTES
COMMISSION SPECIAL MEETING SEPTEMBER 8, 2015**

The Port of Seattle Commission met in a special meeting Tuesday, September 8, 2015, in the International Auditorium at Seattle-Tacoma International Airport, Seattle, Washington. Commissioners Albro, Bowman, Bryant, and Gregoire were present. Commissioner Creighton was absent. Commissioner Bryant was absent after 4:03 p.m.

1. CALL TO ORDER

The meeting was called to order at 12:04 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 90 minutes to discuss matters relating to legal risk. Following the executive session, which lasted approximately 75 minutes, the public meeting reconvened at 1:34 p.m.

PLEDGE OF ALLEGIANCE

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

3. SPECIAL ORDERS OF BUSINESS

3a. City of SeaTac Proposition One Update.

Craig Watson, General Counsel, reported on the State Supreme Court's decision that the City of SeaTac has jurisdiction to implement a \$15/hour minimum wage for workers at the Airport.

The Commission provided direction on the matter.

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

3b. September 8, 2015, CEO Report.

Chief Executive Officer Ted Fick reported on discipline and reorganization resulting from investigation of offensive emails by Port staff. He also commented on Port fire crews who are providing support for firefighting efforts in Eastern Washington, reduction in aviation emissions and fuel use, and presentation of noise-reduction incentive "Fly Quiet" awards to airline partners Alaska Air Group, Virgin America, and Air Canada Jazz.

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

3c. Forum on Seattle-Tacoma International Airport's International Arrivals Facility: Wrap-Up and Next Steps.

Presentation document(s) provided on the day of the meeting included a Commission agenda [memorandum](#).

Presenter(s): Mike Merritt, Commission Chief of Staff, and Mark Reis, Managing Director, Seattle-Tacoma International Airport.

Outcomes and findings on a 90-day review of initial plans for a new International Arrivals Facility (IAF) were presented. Airline concerns surfaced included rising cost estimates, verification of selection of the optimal location for the facility, funding models, especially related to use of passenger facility charges, allocation of gates, general condition of the South Satellite, and airline engagement. Outreach efforts, including facilitated discussions with airlines, were described.

It was reported that information that emerged during the 90-day period suggests that the planned use of passenger facility charges (PFCs) is consistent with PFC allocation at peer airports. Domestic carriers' concerns that financing the IAF will disproportionately burden their passengers was presented as deserving of further review as the project progresses.

Commissioners described their understanding of the findings of third-party review of the IAF planning process. The right kind of facility appears to have been proposed; the scope does not appear to be extravagant; and the financing plan, particularly use of PFCs, appears to be customary to the use among peer airports for funding new international facilities. Commissioners emphasized an interest in continuing to be actively engaged in further development of the project, and indicated their concern in closely managing the project's cost.

Further meetings are scheduled with airlines and new ideas are still under consideration for delivery of the appropriate project scope. A request for design authorization will follow completion of the project validation phase toward the end of the year. Staff intends to issue a majority-in-interest ballot on the revised project soon to continue its forward momentum, and a guaranteed maximum price will be presented at completion of 60 percent design likely in the second quarter of 2017.

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 meetings of January 27 and February 10, 2015, and the special meetings of February 3 and September 1, 2015.

- 4b. Authorization for the Chief Executive Officer to execute up to three consulting services indefinite delivery, indefinite quantity contracts for graphic design services for a total maximum value of \$870,000.**

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

- 4c. Authorization for the Chief Executive Officer to execute one professional services indefinite delivery, indefinite quantity contract to perform surface water monitoring and toxicity testing services with a total value of \$2,500,000 and a contract ordering period of five years at the Seattle-Tacoma International Airport. No funding is associated with this authorization.**

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

- 4d. Authorization for the Chief Executive Officer to execute a contract for commercial pest management services at Seattle-Tacoma International Airport's main terminal, North and South Satellites, parking garage, and several other Port-owned buildings at the Airport. The total estimated cost of the contract(s) is \$1,200,000 for a 5-year contract.**

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

- 4e. Authorization for the Chief Executive Officer to execute a contract for waste pumping services at Seattle-Tacoma International Airport. The total estimated value of this request is \$500,000 for a three-year contract.**

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

- 4f. Authorization for the Chief Executive Officer to execute a new collective bargaining agreement between the Port of Seattle and the International Brotherhood of Teamsters, Local 117, covering the period from January 1, 2015, through December 31, 2017, and affecting 72 Police Officer positions.**

Request document(s) included a Commission agenda [memorandum](#) and collective bargaining [agreement](#).

- 4g. Authorization for the Chief Executive Officer to execute a new collective bargaining agreement between the Port of Seattle and the International Brotherhood of Teamsters, Local 117, covering the period from January 1, 2015, through December 31, 2017, and affecting 16 Police Sergeant Positions.**

Request document(s) included a Commission agenda [memorandum](#) and collective bargaining [agreement](#).

- 4h. Authorization for the Chief Executive Officer to complete design and permitting, prepare construction documents, advertise for construction, bid, and award a construction contract to demolish the Terminal 91 W-50 Building. The total value of this request is \$1,050,000 for an estimated total project cost of \$1,100,000. \$50,000 was previously authorized for project design and permitting work.**

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

The motion for approval of consent items 4a, 4b, 4c, 4d, 4e, 4f, 4g, and 4h 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):

- LeeAnn Subelbia, Filo Foods and BF Foods, who commented on the inability to continue her business under the provisions of SeaTac's Proposition One.
- Johannes Siuem, Seattle resident, who commented on the Eritrean community and immigrant taxicab drivers.
- Elen Testamariam, Seattle resident, who commented on the difficulties faced by immigrant taxicab drivers.
- John Smith, Seattle resident, who commented favorably about flat-rate for-hire services at the Airport.
- Miliama Smith, Seattle resident, who commented favorably about flat-rate for-hire services at the Airport.
- Sukwinder Sidhu, Yellow Cab, who commented on lack of regulation of transportation network companies and congestion and safety issues.
- Guiminda Kahlon, Yellow Cab, who commented on investments made by cab drivers to provide good customer service.
- Dawit Tesfaye, Yellow Cab, who commented on the unfairness of allowing transportation network companies to operate at the Airport's curb while taxicabs have to operate from the Airport parking garage.
- Amar Khan, Yellow Cab, who commented on the lack of safety controls among transportation network companies.
- Shannon Gray, Des Moines resident, who commented on Yellow Cab's service to her and others who rely on wheelchairs and a lack of alternatives for disabled riders.
- Anmol Singh, Yellow Cab, who commented on the energy efficiency and environmental benefits of hybrid and natural gas burning taxicabs.
- Salah Mohamed, Yellow Cab, who commented on standards for cab drivers for commercial insurance, background checks, inspections, and meter transparency.
- Sheila Stickel, Puget Sound Dispatch, who commented on the good records of professional taxicab drivers and rules affecting third-party solicitation of passenger pick-ups. Ms. Stickel submitted written material, which is attached as minutes [Exhibit A](#) and is available for public review.
- Paul Dhamni, STITA Taxi, who commented on the importance of a contract to regulate the Airport's ground transportation system.
- Larry Green, Uber, who commented on insurance and background checks for transportation network company drivers and the opportunity for a ground transportation system for all modes.

- Surinder Minhas, Yellow Cab, who commented on the erosion of professional taxicab jobs caused by transportation network companies.
- Chester Baldwin, SeaTac Taxi Corporation, who commented on background checks, insurance, and training of cab drivers.
- Mulu Retta, Ethiopian Community in Seattle, who commented on the need for fair treatment of all African immigrants in taxi and transportation network companies. Ms. Retta submitted a letter, which is attached as minutes [Exhibit B](#) and is available for public review.
- Bruce Boram, Yellow Cab, who commented on the importance of meters to ensure consumer protection and on the opportunity for all metered taxis to participate in a Yellow Cab coalition.
- Cindi Laws, Wheelchair Accessible Taxi Association, who commented on the need for accessible taxis and on ways to remove barriers to accessible taxis at the Airport. Ms. Laws submitted a letter, which is attached as minutes [Exhibit C](#) and is available for public review.
- Brooke Steger, Uber, who commented on the importance of letting consumers make their own choices about ground transportation options and on regulations that apply to transportation network companies.
- Samatar Guled, Eastside For Hire, who commented about on-demand rights for for-hire drivers and advocated for a variety of ground transportation modes at the Airport managed at curbside by a third party.
- Dr. James Cooper, Taxi Research Partners, who commented on ground transportation studies, the radical changes affecting the industry, and its reliance on common practices.
- Chris Van Dyk, General Manager, Quality Ground – Q, who commented on the need to review the current taxi contract for possible under-reporting of revenue. Mr. Van Dyk submitted written materials, which are included here as minutes [Exhibit D](#) and are available for public review.
- Patricia Stephens, STITA Taxi, who commented on increased costs following deregulation and increased competition between cab drivers and on customers' being overcharged for fares in for-hire vehicles.
- Parminder Cheema, Yellow Cab, who commented on regulatory requirements for cab drivers and lack of controls for drivers in transportation network companies.
- Henok Naizai, Yellow Cab, who commented on security and background checks required for cab drivers.
- Surinderpal Tung, Yellow Cab, who commented on safety, security, and customer service represented by use of taxis at the Airport.
- Abdirahman Awed, Yellow Cab, who commented on the good relationship between the Port and minority cab drivers, particularly among the East African community.
- Elias Shifow, Yellow Cab, who commented on the need for the East African community to speak for itself and in favor of a competitive cab contract based on meeting the Airport's needs.
- Simegebriel Woger, Yellow Cab, who commented on flat rate versus metered fares, the cost of taxi permits, and congestion at baggage claim.
- Gurcharan Dhaliwal, Farwest, who commented unfavorably about Yellow Cab and its lawsuit with the Teamsters Union.
- Henry Yates, Seattle-King County For-Hire Vehicle Association, who commented in favor of an on-demand ground transportation system that would include for-hire drivers and would be managed by a third-party curb-management system dispatching for multiple providers.

- Mohamed Sufi, Burien, who commented on the need of for-hire drivers to have the same rights as taxi drivers at the Airport.
- Seth Rudin, CEO, Asterminds, who commented on his company's ability to manage dispatch for a variety of ground transportation modes fairly at the Airport. Mr. Rudin submitted printed materials, which are attached as minutes [Exhibit E](#) and are available for public review.
- Jim Kelly, Manager, United For Hire, who commented in favor of an open-access system for ground transportation at the Airport. Mr. Kelly submitted his written remarks, which are attached as minutes [Exhibit F](#) and are available for public review.
- Said Farah, Tukwila, who commented in favor of for-hire vehicles and letting customers decide what mode of ground transportation suits them best.
- Belai Belete, United For Hire, who commented in favor of an integrated system that would generate for-hire revenue.
- Bakari Brock, Director, Lyft, who commented on the safety controls Lyft drivers undergo and Lyft's presence at dozens of airports across the U.S.
- Jim Thompson, General Manager, Farwest, who commented on use of private insurance by drivers for transportation network companies and the universality of meters versus ZIP codes to establish fares. Mr. Thompson submitted written material, which is attached as minutes [Exhibit G](#) and is available for public review.
- Amin Shifow, Yellow Cab, who commented in support of a closed ground transportation system and on Yellow Cab's excellent customer service ratings.
- Juan Luis Lizarragal, Uber, who commented on background checks and safety inspections transportation network company (TNC) drivers undergo and on increasing passenger demand for TNC services.
- Abdul Yusuf, for-hire driver, who commented on the changing market for ground transportation and the need for multiple transportation modes to be available at the Airport.
- Zewdu Fashie, Uber driver, who commented on the popularity of transportation network companies at the Airport.
- Abdirizak Abdinur, Wheelchair Accessible Taxi driver, who commented on the growing need for accessible ground transportation at the Airport.
- Goodspaceguy, King County resident, who commented in opposition to the minimum wage and asked the Port to lobby against any minimum wage.
- In lieu of spoken testimony, Cise Yare, Chairman, Somali Ethiopian Community of Seattle, submitted a letter, which is attached as minutes [Exhibit H](#) and is available for public review.
- In lieu of spoken testimony, Sahra Farah, Director, Somali Community Services of Seattle, submitted a letter, which is attached as minutes [Exhibit I](#) and is available for public review.
- In lieu of spoken testimony, Isaac Araya, President, Eritrean Association in Greater Seattle, submitted a letter, which is attached as minutes [Exhibit J](#) and is available for public review.
- In lieu of spoken testimony, Jama Musse, Founder and Executive Director, and Sergei Chuprina, Liaison, Transportation and Business Associations, both of the East African Community Development Group, submitted a letter, which is attached as minutes [Exhibit K](#) and is available for public review.

RECESSED AND RECONVENED

The meeting was recessed at 3:55 p.m. and reconvened at 4:03 p.m., chaired by Commissioner Bowman.

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

6. DIVISION, CORPORATE, AND COMMISSION ACTION ITEMS – None.

7. STAFF BRIEFINGS

7a. Airport Ground Transportation Services Briefing.

Presentation document(s) included a Commission agenda [memorandum](#), presentation [slides](#), ground transportation [descriptions](#), operator [details](#), Leigh|Fisher ground transportation [report](#) and [executive summary](#), operator outreach meeting [agenda](#), operator discussion session [summary](#), operator classes (stakeholders) meeting [agenda](#), and operator classes (stakeholders) discussion session [summary](#).

Presenter(s): Mike Ehl, Director, Aviation Operations; Jeff Hoevet, Senior Manager, Airport Operations, Landside; Stephanie Box, Senior Consultant, Leigh|Fisher; and Margaret Norton-Arnold, President, Norton-Arnold & Company.

There was a presentation on ground transportation options at Seattle-Tacoma International Airport that covered existing conditions relative to definition and regulation of eight classes of ground transportation. Illustrative models for the future management of services were provided. Common practice at peer airports was described as modeled on either open access for multiple vehicle companies and classes, exclusive access to a contracted entity or entities with sole rights to pick up passengers, or a hybrid based on a blend of management by transportation class.

Classes of vehicles currently serving Seattle-Tacoma International Airport include on-demand taxis, on-demand limousines, pre-arranged taxis, pre-arranged for-hire, pre-arranged limousines, two classes of door-to-door shared ride vans, courtesy vehicles, and charter vehicles.

Commissioners requested clarifications, opined on the consultant's analysis, and provided direction.

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

7b. Sustainable Airport Master Plan Planning Update.

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

Presenter(s): Elizabeth Leavitt, Director Aviation Planning and Environmental; Clare Gallagher, Government Relations Manager; and Mark Reis, Managing Director, Aviation Division.

The current status of the Sustainable Airport Master Planning process was presented, along with updated activity forecasts. Airfield modeling and refinement of concepts for landside operations are areas of current focus. Gate expansion concepts were illustrated, and Main Terminal facility requirements based on capacity needs were described. Gate and terminal expansion has implications for the Airport Drives and the footprint of existing facilities. Possible alteration of the Airport parking garage in relation to Airport Drive options was discussed.

Public outreach for the master plan emphasizes the economic opportunities that come with growth at the Airport. Public outreach to surrounding communities on issues related to diversion of traffic from the Center Runway during its reconstruction was also discussed.

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

7c. 2016 Economic Development Business Plan Discussion.

Presentation document(s) included a Commission agenda [memorandum](#), [business plan](#), and presentation [slides](#). The presentation was revised the day of the meeting and the [revised version](#) is included in the meeting record.

Presenter(s): Dave McFadden, Director, Economic Development Division.

The Economic Development Division business plan was described. A job-creation focus is supported by goals related to regional business development, workforce and small business development, strategic use of Port real estate, and increased tourism activity. Goals are accompanied by tangible anticipated outcomes against which to measure successful performance.

Commissioners expressed interest in what the Port can do that is unique or different and a desire to complement rather than duplicate existing efforts.

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

7d. 2015 Second Quarter Financial Performance Briefing.

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

In lieu of a presentation, the Commission received briefing materials, which were posted publicly, in advance of the meeting.

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

7e. 2016 Budget Assumptions Briefing.

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

Presenter(s): Dan Thomas, Chief Financial Officer, and Michael Tong, Corporate Budget Manager.

Key budget assumptions shaping development of the 2016 budget were discussed. These include a pay-for-performance increase of about 3.4 percent, a salary range increase of up to 2.0 percent, a health benefit cost increase of about 2.0 percent, and an anticipated increase of the employer contribution to the Public Employees Retirement System raising the blended rate for 2016 to 10.2 percent.

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

7f. Report on the Port Liability Insurance Renewal for the Policy Year beginning on October 1, 2015.

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

In lieu of a presentation, the Commission received briefing materials, which were posted publicly, in advance of the meeting.

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 5:42 p.m.

Tom Albro
Secretary

Minutes approved: October 27, 2015.