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APPROVED MINUTES COMMISSION REGULAR MEETING JANUARY 9, 2018

The Port of Seattle Commission met in a regular meeting Tuesday, January 9, 2018, at Port of Seattle Headquarters, Commission Chambers, 2711 Alaskan Way, Seattle, Washington. Commissioners Bowman, Calkins, Felleman, Gregoire, and Steinbrueck were present.

[Clerk's Note: For the regular meeting of January 9, the commission first used the order of business and revised convening times described in its new bylaws adopted December 19, 2017.]

1. CALL TO ORDER

The meeting was called to order in the Pier 69 East Atrium at 12:05 p.m. by Commission President Courtney Gregoire, who led the flag salute.

2. EXECUTIVE SESSION pursuant to RCW 42.30.110 – None.

As noted on the agenda, the Commission advanced to the order of –

7. SPECIAL ORDERS OF BUSINESS

and proceeded to the following agenda item –

7a. Oaths of Office for Commissioners Bowman, Calkins, and Steinbrueck.

Commissioners Stephanie Bowman, Ryan Calkins, and Peter Steinbrueck took their oaths of office in compliance with Chapters 29A.20 and 53.12, RCW, and participated in a public oath of office ceremony in the atrium at Pier 69.

RECESSED AND RECONVENED

The meeting was recessed at 12:20 p.m. and reconvened in Commission Chambers at 12:52 p.m., chaired by Commissioner Gregoire, and the Commission advanced to consideration of –

3. APPROVAL OF THE AGENDA

Without objection, the preliminary agenda was revised to move agenda item 8f to the beginning of the order of Authorizations and Final Actions.

4. EXECUTIVE DIRECTOR'S REPORT

Executive Director Steve Metruck previewed items on the day's agenda and made announcements.

5. PUBLIC COMMENT

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

- Heather McAuliffe, Seattle resident, regarding the Fish On Bait and Tackle Shop and closure of the Pier 86 fishing pier, which is owned by the Washington Department of Fish and Wildlife.

As noted on the agenda, the Commission advanced to consideration of –

7. SPECIAL ORDERS OF BUSINESS

and proceeded to the following agenda item –

- 7b. Motion to waive the bylaws provision requiring election of officers at the first meeting of the year and to elect officers instead at the second meeting of January 2018.**

The motion to approve agenda item 7b carried by the following vote:

In favor: Bowman, Calkins, Felleman, Gregoire, Steinbrueck (5)

6. UNANIMOUS CONSENT CALENDAR

[Clerk's Note: Items on the Unanimous Consent Calendar are not individually discussed. Commissioners may remove items for separate discussion and vote when approving the agenda.]

- 6a. Authorization for the Executive Director to execute two indefinite delivery, indefinite quantity contracts for technology contractors as needed to support systems, projects, and services for a total amount not to exceed \$3,000,000, with a contract ordering period not to exceed five years. There is no funding request associated with this authorization.**

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

- 6b. Authorization for the Executive Director to execute a tenant reimbursement agreement with Delta Air Lines Inc. for \$975,000 of this total under the Airport's AV-2 Policy for the design and construction of a project to prepare for occupancy approximately 4,000 square feet of office space in the main terminal at Seattle-Tacoma International Airport and \$221,000 for non-tenant reimbursement Port costs associated with this project. This request seeks a single Commission authorization to reimburse Delta for design and construction and for non-tenant reimbursement costs associated with the project, a total of \$1,196,000 (CIP #C800883).**

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

- 6c. Authorization for the Executive Director to (1) proceed with design and construction of the Zone 3 Common Use Ticket Counter project at Seattle-Tacoma International Airport; (2) execute a contract to purchase common use equipment; and (3) use Port crews to complete the project. This single authorization is for a total cost of \$1,700,000 (CIP #C800925).**

Request document(s) included an agenda [memorandum](#) and [presentation slides](#).

- 6d. Authorization for the Executive Director to execute Change Order No. 10 to Contract MC-0318277, Baggage Optimization Project - Phase 1 at Seattle-Tacoma International Airport, to add \$357,263 to the contract. No additional funding or contract time is requested (CIP #C800612).

Request document(s) included an abbreviated agenda [memorandum](#).

- 6e. Authorization for the Executive Director to (1) prepare design and construction bid documents for the Chiller Panel Upgrade Project at Seattle-Tacoma International Airport and (2) advertise and award a major works construction contract to replace chiller control panels in the Airport's Central Mechanical Plant. The amount of this request is \$850,000 for a total estimated project cost of \$900,000 (CIP #C800811).

Request document(s) included an abbreviated agenda [memorandum](#).

- 6f. Authorization for the Executive Director to purchase a catch-basin cleaning truck to replace an existing truck for an amount not to exceed \$450,000.

Request document(s) included an abbreviated agenda [memorandum](#) and [financial analysis document](#).

The motion for approval of consent items 6a, 6b, 6c, 6d, 6e, and 6f carried by the following vote:

In favor: Bowman, Calkins, Felleman, Gregoire, Steinbrueck (5)

8. AUTHORIZATIONS AND FINAL ACTIONS

- 8f. Adoption of Resolution No. 3737: A resolution of the Port of Seattle Commission establishing a Diversity in Contracting Policy Directive to increase women and minority business opportunities and to repeal Resolutions No. 3506 and No. 3618.

Request document(s) included an agenda [memorandum](#), draft resolution, and [dashboard document](#). A copy of the final draft of [Resolution 3737](#) will be made available upon adoption. A copy of the adopted and annotated Diversity in Contracting policy directive is attached as minutes [Exhibit A](#).

Presenter(s): Aaron Pritchard, Commission Policy Manager.

Previously, Resolution No. 3737 was introduced on December 5, 2017; amendments to the resolution were presented on December 12, 2017; and adoption of the resolution was laid on the table on December 19, 2017.

The policy directive was summarized and the process of its crafting, including stakeholder engagement over several months, was described.

AMENDMENTS

Clarifying amendments were offered that would have the following effects:

- Ensure explicit reference to supremacy of federal regulations in the event of conflicting provisions;
- Consistently reference the policy directive by the term “diversity in contracting”;
- Clarify that the policy covers all port contracts;
- Reorganize text relating to attainment of five-year goals of the program;
- Emphasize the port’s efforts to improve diversity and inclusion among port employees;
- Underscore reduction of disparity within the program;
- Promote certification of women- and minority-owned businesses; and
- Clarify disaggregation of demographic data for the purpose of reducing disparities.

The motion to adopt Amendments 1-11 carried by the following vote:

In favor: Bowman, Calkins, Felleman, Gregoire, Steinbrueck (5)

The question recurred on the adoption of the resolution, as amended.

The motion for adoption of Resolution No. 3737, as amended, carried by the following vote:

In favor: Bowman, Calkins, Felleman, Gregoire, Steinbrueck (5)

Without objection, the commission advanced to consideration of –

8c. Authorization for the Executive Director to execute the first amendment to the ground lease with Duke’s Shilshole Bay Chowder House LLC to change the following: (1) to increase the square footage of the original ground lease by 1,522 square feet for a total of 8,022 square feet; (2) to increase the monthly rent during the construction phase from \$2,605.00 to \$3,216.00 and during the post-construction phase from \$10,420.00 to \$12,864.00; and (3) to change the commencement date of the construction phase from June 1, 2018, to August 1, 2018, and commencement of post-construction phase from June 1, 2019, to August 1, 2019.

Request document(s) included an agenda [memorandum](#), [presentation slides](#), [draft lease](#), and [copy of the original lease](#).

Presenter(s): Melinda Miller, Director, Portfolio and Asset Management, and Steve Sawyer, Real Estate Property Manager.

The motion for approval of agenda item 8c carried by the following vote:

In favor: Bowman, Calkins, Felleman, Gregoire, Steinbrueck (5)

The commission then returned to consideration of the following agenda item –

8a. Motion 2018-01: A motion of the Port of Seattle Commission to develop a comprehensive Port of Seattle human trafficking strategy; setting deadlines for strategy completion, initial actions, substantial implementation, and implementation of

final tier tactics; requiring documentation of best practices, lessons learned, and measurable outcomes; and providing for referral of the final strategy to a committee of the port commission.

Request document(s) included a draft motion. A substitute draft was provided at the time of the meeting. The complete, adopted version of Motion 2018-01 is attached as minutes [Exhibit B](#).

Presenter(s): Eric Schinfeld, Senior Manager, Federal and International Government Relations; Wendy Reiter, Director, Aviation Security; Rodney Covey, Chief of Police; Dr. Mar Brettman, Executive Director, Businesses Ending Slavery and Trafficking; Val Richey, Senior Deputy Prosecuting Attorney, King County Prosecutor's Special Assault Unit; and Jeanne Kohl-Welles, King County Councilmember.

The commission received a presentation on port efforts to combat human trafficking in its role as a public agency, major employer in King County, and operator of the state's primary trade and travel gateway. Contributing factors to human trafficking were noted, including the role of international free trade agreements, and its magnitude as a leading criminal industry was described. Training officers and employees to identify victims, engaging with the port's business partners to prevent labor and sexual exploitation, and adopting internal standards to eradicate demand for human trafficking related to activities of port staff were discussed.

5. PUBLIC COMMENT

At this time, additional public comment was received from the following individual(s) regarding the Port of Seattle Human Trafficking strategy:

- Stan Sorscher, President, Washington Fair Trade Coalition.
- Robert Beiser, Director, Seattle Against Slavery.
- Kelly Mangiaracina, Commercially Sexually Exploited Children (CSEC) Task Force Coordinator, King County Superior Court.
- Ouida Hemingway, Board Member, Stolen Youth.
- Hillary Haden, Executive Director, Washington Fair Trade Coalition.
- Heidi Sargent, Assistant City Attorney, Seattle City Attorney's Office.

Commissioners commented on the importance of a comprehensive human trafficking strategy and the opportunities presented by the port strategically engaging to intervene to reduce supply and demand for human trafficking.

AMENDMENT

A substitute version of the motion was offered. The differences between the original motion and the substitute version were summarized.

The motion to substitute new text for the motion as published carried by the following vote:

In favor: Bowman, Calkins, Felleman, Gregoire, Steinbrueck (5)

The text of the motion under consideration now reads as follows:

The Port of Seattle is committed to its unique role in stopping human trafficking here in our region, where hundreds of victims are identified each year. We not only have a moral obligation to protect residents and visitors but also a tangible role in stopping trafficking because of our status as both a large employer and as the manager of significant trade and travel facilities. Over the years, our organization has been a leader in directly addressing trafficking activities, raising awareness of the issue to local residents and collaborating with key partners to increase our reach and impact.

Given the Port's commitment to ensuring that we use our resources to ensure the safety and prosperity of all our region's residents and everyone who uses our facilities, we have the opportunity to increase our regional and statewide leadership on this important topic by developing a comprehensive strategy that ties together training, resources, policies and procedures. To advance the Port's efforts, the Port of Seattle shall adopt the following goals:

- **By March 31, 2018, staff shall finalize a comprehensive strategy and implement an initial set of actions, including but not limited to:**
 - **developing a curriculum and planning trainings for the most relevant Port employees;**
 - **joining key alliances and committees to ensure the Port's engagement on this topic regionally;**
 - **conducting initial awareness raising through media and communications efforts to users of the Port's facilities and local residents;**
 - **advocating at the state and federal level for policy changes that further the Port's and region's human trafficking reduction efforts; and**
 - **planning for the implementation of a broader set of tactics.**
- **By June 30, 2018, staff shall implement substantial aspects of the Port's comprehensive anti-trafficking strategy, including but not limited to:**
 - **developing a curriculum and planning to making training broadly available to all Port employees;**
 - **ensuring that Port policies and our Code of Conduct fully restricts employee engagement in any aspect of trafficking;**
 - **installing signage in Port facilities that helps increase awareness of this issue and reduces trafficking in our region; and**
 - **exploring implementation of a final tier of tactics.**
- **By December 31, 2018, staff shall have begun implementation of those final tier tactics that not only are most achievable but also have the broadest return on investment in terms of multiplying the Port's impact on reducing human trafficking. In particular, staff should focus on collaborations with tenants, vendors, concessionaires, contractors and partners such as the Northwest Seaport Alliance.**

Finally, Port staff shall develop metrics to ensure that the Port's efforts are having an impact both internally and externally, and work with peers locally, nationally and internationally to codify best practices and lessons learned from our efforts.

The question recurred on adoption of the motion, as amended.

The motion for approval of agenda item 8a, as amended, carried by the following vote:

In favor: Bowman, Calkins, Felleman, Gregoire, Steinbrueck (5)

Agenda item 8b was removed from the agenda prior to publication. Agenda item 8c was considered previously.

8d. Approval of the Port's 2018 federal policy priorities and for staff to engage with federal officials in support of these priorities.

Request document(s) included an agenda memorandum, [presentation slides](#), [2017 Federal Maritime Agenda](#), and [2017 Federal Aviation Agenda](#). A revised agenda memorandum, reflecting amendments described below, is attached as minutes [Exhibit C](#).

Presenter(s): Eric Schinfeld, Senior Manager, Federal and International Government Relations, and Ryan McFarland, Federal Government Relations Manager.

Previously, a presentation on this subject was made on October 10, 2017, as agenda item 7b.

The proposed 2018 federal legislative agenda was summarized, noting refinements since the October presentation. Commissioners commented on plans to open U.S. coastal waters to off-shore oil and gas drilling and the risks associated with development activity in Alaska's Bristol Bay and drilling off the coast of Washington. Commissioners commented on whether biofuels *per se* are truly sustainable due to social, economic, and environmental consequences associated with them. The use of the term "sustainable aviation fuels" was discussed. Commissioners also highlighted priorities related to immigration and Harbor Maintenance Tax reform.

AMENDMENTS

An amendment to the federal legislative agenda was proposed to explicitly stake a position opposing the pebble mine proposal in Alaska's Bristol Bay and oil and gas drilling off the Washington coast.

The motion for adoption of the amendment carried by the following vote:

In favor: Bowman, Calkins, Felleman, Gregoire, Steinbrueck (5)

An amendment was proposed to update references to "biofuels" to "sustainable aviation fuels."

The motion for adoption of the amendment carried by the following vote:

In favor: Bowman, Calkins, Felleman, Gregoire, Steinbrueck (5)

The question recurred on approval of the federal legislative agenda, as amended.

The motion for approval of agenda item 8d, as amended, carried by the following vote:

In favor: Bowman, Calkins, Felleman, Gregoire, Steinbrueck (5)

8e. Introduction of Resolution No. 3743: A resolution of the Port Commission of the Port of Seattle, authorizing the Executive Director to sell and convey Port personal property in 2018 in accordance with RCW 53.08.090 with a value not greater than \$19,000.

Request document(s) included an agenda [memorandum](#) and draft resolution. A copy of the final draft of [Resolution No. 3743](#) is attached for ease of reference.

Presenter(s): Rudy Caluza, Director, Accounting and Financial Reporting.

Commissioners asked for clarification about the accounting for surplus personal property.

There was a motion to suspend commission bylaws to take final action on Resolution No. 3743 on the same day it was introduced, which carried by the following required unanimous vote of all port commissioners:

In favor: Bowman, Calkins, Felleman, Gregoire, Steinbrueck (5)

The question recurred on introduction and adoption of the resolution.

The motion for introduction and adoption of Resolution No. 3743 carried by the following vote:

In favor: Bowman, Calkins, Felleman, Gregoire, Steinbrueck (5)

Agenda item 8f was considered previously, and the commission advanced to consideration of –

9. PRESENTATIONS, REPORTS, and STAFF BRIEFINGS

9a. Baggage Optimization Project Update.

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

Presenter(s): Ed Weitz, Capital Project Manager, Aviation Project Management, and Sheila Laub, Capital Project Manager, Aviation Project Management.

Commissioners received an update on the background, purpose, and construction and budget status of the airport's baggage optimization project, which is configured in three phases. Construction is underway on phase 1, which affects the ramp level of the central terminal and adjacent areas. Design is underway on phase 2, which affects the basement level of the central terminal and adjacent areas. Phase 3 will affect systems on the south end of the airport. Small business participation performance was summarized. Commissioners asked about the capital life of the systems being installed and the review process for selecting baggage system technology.

10. QUESTIONS on REFERRAL to COMMITTEE – None.

11. ADJOURNMENT

There was no further business, and the meeting adjourned at 3:23 p.m.

Prepared:

Attest:

Paul J. White, Commission Clerk

Ryan Calkins, Commission Secretary

Minutes approved: June 26, 2018.