



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

APPROVED MINUTES COMMISSION SPECIAL MEETING JANUARY 30, 2018

The Port of Seattle Commission met in a special meeting Tuesday, January 30, 2018, in the International Auditorium at Seattle-Tacoma International Airport, Seattle, Washington. Commissioners Bowman, Calkins, Felleman, Gregoire, and Steinbrueck were present.

1. CALL TO ORDER

Pursuant to Article IV, Section 8, of the commission bylaws, the meeting convened at 11:03 a.m. to conduct an executive session.

2. EXECUTIVE SESSION pursuant to RCW 42.30.110

The notice posted during the executive session included two matters related to legal risk and sale or lease of real estate and two matters related to legal risk. The time for reconvening was posted as 12:00 noon, in accordance with commission bylaws and the public meeting notice previously published. At 12:05 p.m., the commission clerk announced on behalf of the presiding officer that the executive session would be extended until 12:15 p.m. to finish consideration of the matters previously noted. Following the executive session, which lasted approximately 75 minutes, the public meeting reconvened at 12:20 p.m. Commissioner Gregoire led the flag salute.

3. APPROVAL OF THE AGENDA

Without objection, the preliminary agenda was approved without revisions.

4. EXECUTIVE DIRECTOR'S REPORT

Interim Executive Director Dave Soike previewed items on the day's agenda and made announcements.

5. PUBLIC COMMENT

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

- Steve Edmiston, Des Moines resident, regarding flight paths, noise, and airport communities. Mr. Edmiston submitted written materials, which are included here as minutes [Exhibit A](#).
- J.C. Harris, Des Moines resident, regarding airport communities.
- Debi Wagner, Quiet Skies Coalition, regarding airport communities.

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. Approval of the minutes of the regular meeting of September 26, 2017.

6b. Approval of claims and obligations for the period of December 1, 2017-December 31, 2017, including accounts payable check nos. 921172-921672 in the amount of \$6,105,986.20; accounts payable ACH nos. 004436-005118 in the amount of \$49,578,160.32; accounts payable wire transfer nos. 014791-014807 in the amount of \$9,278,844.06, payroll check nos. 188206-188584 in the amount of \$472,497.37; and payroll ACH nos. 834329-840382 in the amount of \$14,767,197.13 for a fund total of \$80,202,685.08.

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

6c. Authorization for the Executive Director to amend and increase the not-to-exceed amount of the Puget Sound Energy Engineering Services and Construction Agreement required for the Alternative Utility Facility from \$850,000 to \$1,500,000. No additional funding is associated with this request (CIP #C800538).

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

6d. Authorization for the Executive Director to amend the service agreement with Otak Incorporated (P-00318092) to increase it by \$505,000 for the North End Redevelopment Area Project. No additional funding is requested.

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

6e. Authorization for the Executive Director to (1) proceed with the design and preparation of contract bid documents for Phase II of the Airport Terminal Safety and Security Enhancements project for \$1,481,000 for a revised total project authorization of \$7,789,000 for both phases (CIP #C800862).

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

6f. Authorization for the Executive Director to execute a settlement agreement to resolve litigation.

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

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)

7. SPECIAL ORDERS OF BUSINESS

7a. 2017 Tourism Marketing Support Program Summary.

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

Presenter(s): Ron Peck, Director, Tourism Development Department; Annette Pitts, Executive Director, Cascade Loop Association; Andi Day, Executive Director, Long Beach Peninsula Visitors Bureau; and Ron Williams, Executive Director, Visit Walla Walla.

The tourism marketing support program was summarized, including its link to promoting Century Agenda and other economic development goals and highlights from the 2017 program. The program included recipients from across the state with port funding ranging from \$5,000 to \$10,000. Various marketing program efforts of program recipients were described. Improvements planned for the 2018 program were noted. Commissioners asked about the health of Washington's tourism industry relative to the rest of the U.S. and commented on the state's unique destination opportunities.

7b. Introduction and adoption of Resolution No. 3744: A resolution of the Port Commission of the Port of Seattle amending Resolution No. 3742, regarding bylaws governing the organization and transaction of business of the Port of Seattle Commission.

Request document(s) included a draft resolution and bylaws [redline](#). A copy of the final, adopted version of [Resolution No. 3744](#) is attached for ease of reference.

The change to the bylaws would remove the requirement that the vice president also serve as chair of the Audit Committee.

There was a motion to suspend commission bylaws to consider adoption of a governance matter without referral to committee (Bylaws Article V, Section 6), which carried by the following vote:

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

There was a motion to suspend commission bylaws in order to take final action on Resolution No. 3744 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 motion for introduction and adoption of Resolution No. 3744 carried by the following vote:

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

8. AUTHORIZATIONS AND FINAL ACTIONS

8a. Election of 2018 Vice President and Secretary.

The following slate of officers was moved:

- Vice President – Stephanie Bowman
- Secretary – Ryan Calkins

The motion carried by the following vote:

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

Pursuant to Article III, Section 6, of the commission bylaws, Commissioner Courtney Gregoire automatically became commission president on January 1, 2018. Similarly, it is presumed Commissioner Stephanie Bowman will become commission president on January 1, 2019, by virtue of her election today as vice president.

ANNOUNCEMENT

The Commission's Audit Committee membership was announced. Commissioner Felleman will chair the committee, which will include Commissioner Steinbrueck and advisory member Christina Gehrke.

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

8c. Authorization for the Executive Director to execute a contract to support electric cart service between the airport's main terminal and Sound Transit's Link light rail airport station. This proposal authorizes an estimated \$2,000,000 for a two-year agreement with options for three one-year extensions.

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

Presenter(s): Jeffrey Hoevet, Senior Manager Airport Operations.

Commissioners inquired about the number of passengers traveling through the transit station annually and commented on the length of the walk from the station to the airport terminal. They commented on the importance of encouraging use of transit to get to and from the airport.

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

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

8d. Authorization for the Executive Director to execute a contract for Rental Car Curbside Assistants at Seattle-Tacoma International Airport, for a one-year base contract, with options for four additional one-year extensions for an estimated value of \$3,300,000, funded entirely by Customer Facility Charges.

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

Presenter(s): Jeffrey Hoevet, Senior Manager Airport Operations, and Stacy Mattson, Manager, Airport Landside Operations, Rental Cars.

The curbside shuttle service from the rental car facility was summarized and the role of curbside assistants was described. Commissioners inquired about past contracts and the gap in providing the service after 2015. It was noted that the jobs provided by the contract should provide wages and benefits consistent with City of SeaTac ordinances (SeaTac Ordinance 13-1020, SeaTac Municipal Code Chapter 7.45).

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

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

9. PRESENTATIONS, REPORTS, and STAFF BRIEFINGS

9a. 2017 Q4 NorthSTAR Program and North Satellite Project Briefing (CIP #C800556).

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

Presenter(s): George England, Program Leader, Aviation Project Management Group; and Ken Warren, Capital Project Manager, Aviation Project Management.

Progress of the project was summarized, including recent accomplishments, current work underway, key risk factors, and performance measures such as small and women- and minority-owned business enterprise participation, total project spending, and apprenticeship utilization numbers. It was confirmed that LEED Silver status will be sought for the facility from the U.S. Green Building Council. Commissioners asked about the source of funds for the project and tax revenue generated by it. Monthly reporting on the NorthSTAR program was discussed.

9b. 2017 Airport Economic Impact Study Briefing.

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

Presenter(s): Michael Tong, Assistant Finance Director – Budget, and Spencer Cohen, Senior Economist, Community Attributes Inc.

Results of the economic impact study were presented. Economic impacts of activity at Seattle-Tacoma International Airport are significant locally and regionally. Direct impacts, categorized by type of activity, include jobs and activity on and near the airport itself measured by number of jobs, business revenue, and total compensation. Key measurements presented for direct airport economic impact included 87,300 jobs, \$11.5 billion in business revenue, \$3 billion in wages, and \$3.7 billion in total compensation.

Economic impacts were described as representing broader multiplying effects of jobs and activity from and adjacent to the airport on the economy of Washington state, King County, and the cities of Des Moines, SeaTac, Burien, Tukwila, Normandy Park, and Federal Way. These include business-to-business impacts through the supply chain and induced impacts tied to use of

disposable income generated by direct economic activity. Key measurements presented for these impacts included 151,400 jobs, \$7.1 billion in total compensation, and \$22.5 billion in business revenue.

Statistics on how many airport workers reside in area cities were presented. Seattle, Federal Way, Kent, SeaTac, and Tukwila were among the cities with the highest numbers of airport workers. Cities with the highest percentages of resident population employed at the airport include Tukwila, SeaTac, Des Moines, and Federal Way.

For the cities featured in the study, the number of jobs, total compensation, economic activity, estimated gross domestic product (GDP), number of employees who reside in the city, and amount of state and local taxes were presented. Key measurements provided included 5,900 jobs in Federal Way, \$742 million in economic activity in Tukwila, 34 percent of GDP in SeaTac, and \$71 million in state and local taxes in SeaTac.

Commissioners asked about the relationship of airport capital growth to future economic impacts. They asked for information about how workers at the airport commute to work and overall travel to and from the airport, including total trips and mode of transportation used. Sampling methodology and how statistics were derived were discussed. Commissioners commented on opportunities to disseminate the economic impact information presented within the community and to tell the underlying story of why having an airport at SeaTac is important to people and businesses in Washington.

10. QUESTIONS on REFERRAL to COMMITTEE – None.

11. RECESSED and ADJOURNED

The meeting was recessed at 3:00 p.m. to an executive session to continue discussion of the items previously described. Following the continuation of the executive session, which lasted approximately 75 minutes, the commission adjourned at 5:20 p.m. without returning to public session.

Prepared:

Paul J. White, Commission Clerk

Attest:

Ryan Calkins, Commission Secretary

Minutes approved: June 26, 2018.