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APPROVED MINUTES COMMISSION SPECIAL MEETING MAY 8, 2018

The Port of Seattle Commission met in a special meeting Tuesday, May 8, 2018, in the Central Auditorium at Seattle-Tacoma International Airport, Seattle, Washington. Commissioners Bowman, Calkins, Felleman, and Steinbrueck were present. Commissioner Gregoire was present after 12:33 p.m. Commissioner Bowman was present until 2:35 p.m.

1. CALL TO ORDER

The meeting was called to order at 12:10 p.m. by Commission Vice President Stephanie Bowman, who led the flag salute.

2. EXECUTIVE SESSION pursuant to RCW 42.30.110

No executive session was convened at this point in the meeting; however, the Commission recessed into executive session later in the meeting as noted below.

3. APPROVAL OF THE AGENDA

The preliminary agenda was revised to consider agenda item 8f immediately before agenda item 8a. The vote was:

In favor: Bowman, Calkins, Felleman, Steinbrueck (4)

Absent for the vote: Gregoire

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):

- Nora Coronado, Commissioner, Commission on Hispanic Affairs, regarding the Welcoming Port policy directive. Ms. Coronado submitted written materials, which are attached as minutes [Exhibit A](#).
- Zach Carstensen, Director of Outreach and Engagement for Representative Pramila Jayapal, regarding the Welcoming Port policy directive. Mr. Carstensen submitted written materials, which are attached as minutes [Exhibit B](#).
- Hamdi Abulle, Somali Youth and Family Club, regarding the Welcoming Port policy directive.

- Abdul Yusuf, Eastside for Hire, regarding the Welcoming Port policy directive and airport taxi contract.
- Peter Gishuru, African Chamber of Commerce of the Pacific Northwest, regarding the Welcoming Port policy directive.
- Fahtima Absie, Project Advocate, Eat with Muslims, regarding the Welcoming Port policy directive and airport taxi contract.
- Maiya Andrews, City of Burien Public Works Director, regarding the interlocal agreement with the City of Burien concerning the Northeast Redevelopment Area.
- Mark Verboas, Vice President, Enterprise Holdings, regarding the lease amendment with Enterprise/National/Alamo Rental Car.
- Steve Edmiston, Des Moines resident, regarding airport impacts on neighboring communities. Mr. Edmiston submitted written materials, which are attached as minutes [Exhibit C](#).
- Brad Jurkovich, Tomorrow at Sea-Tac Coalition, regarding airport impacts on neighboring communities.
- J.C. Harris, Des Moines resident, regarding airport impacts on neighboring communities.
- Dana Holloway, Quiet Skies Puget Sound, regarding airport impacts on neighboring communities.
- Zarah Farah, Somali community, regarding the Welcoming Port policy directive.
- Felicity Wang, Seattle Chinese Chamber of Commerce President, regarding the Welcoming Port policy directive.
- Dustin Lambro, Teamsters Local 117, regarding the taxi and on-demand contract at Seattle-Tacoma International Airport.
- Eskinder Yirgu, E-Cab, regarding the taxi and on-demand contract at Seattle-Tacoma International Airport.
- Simron Dhaliwal, E-Cab, regarding the taxi and on-demand contract at Seattle-Tacoma International Airport.
- Mohamed Sufi, E-Cab, regarding the taxi and on-demand contract at Seattle-Tacoma International Airport.
- Muhamud Muhamed, E-Cab, regarding the taxi and on-demand contract at Seattle-Tacoma International Airport.
- Mahar Jama, E-Cab, regarding the taxi and on-demand contract at Seattle-Tacoma International Airport.
- Mohamed Alanle, for-hire driver, regarding the taxi and on-demand contract at Seattle-Tacoma International Airport.
- Samatar Guled, Eastside for Hire, regarding the taxi and on-demand contract at Seattle-Tacoma International Airport.
- Ahmed Ali, regarding the taxi and on-demand contract at Seattle-Tacoma International Airport.
- Ralph Ibarra, representative, Sundancer Electric Inc., regarding contracting.
- Carlos Ruiz, President, Association of Latino Professionals for America, regarding the Welcoming Port policy directive.

- In lieu of spoken comment, the following organizations submitted a letter in support of Resolution 3747, the Welcoming Port policy directive. The letter is attached as minutes [Exhibit D](#):
 - Asian Counseling and Referral Service
 - Chinese Information and Service Center
 - Entre Hermanos
 - Kitsap Immigrant Assistance Center
 - Korean Community Service Center
 - Korean Women's Association
 - OneAmerica
 - Refugee and Immigrant Services Northwest
 - Tacoma Community House
 - West African Community Council
 - World Relief Seattle

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 special meetings of September 26, October 23, 27, and 30, November 7, 20, and 28, and December 1, 5, and 11, and the regular meeting of November 14, 2017.**
- 6b. Approval of the Claims and Obligations for the period April 1, 2018, through April 30, 2018, including accounts payable check nos. 923278-923759 in the amount of \$4,950,698.92; accounts payable ACH nos. 007209-007845 in the amount of \$65,441,189.92; accounts payable wire transfer nos. 014868-014889 in the amount of \$10,674,589.31, payroll check nos. 189233-189452 in the amount of \$291,387.52; and payroll ACH nos. 852345-856341 in the amount of \$9,885,135.44 for a fund total of \$91,243,001.11.**

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

- 6c. Authorization for the Executive Director to execute an interlocal agreement between the Port of Seattle and the City of Burien for the purpose of exchanging easements and other property rights to provide for the completion of road improvements, and the lengthening and relocation of Miller Creek to benefit the final stages of the redevelopment of the Northeast Development Area properties.**

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

- 6d. Authorization for the Executive Director to execute a contract for Manual Encoder Console Services at Seattle-Tacoma International Airport. The contract duration is for up to five years (one-year base contract with four one-year options). The estimated total cost of the contract is \$3.1 million over five years.**

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

- 6e. Authorization for the Executive Director to execute contract documents for the purpose of renewing the Port's Risk Insurance and Management System, Origami Risk, through May 31, 2023, at an estimated cost of \$600,000.**

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

- 6f. Authorization for the Executive Director to prepare design and construction bid documents for the initial phase of the Parking Garage Elevators Modernization project at Seattle-Tacoma International Airport for \$595,000 (CIP #C800789).**

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. Sustainable Airport Master Plan Planning and Environmental Update.

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

Presenter(s): Lance Lytle, Aviation Division Managing Director; Jeffrey Brown, Director of Aviation Facilities and Capital Programs; Arlyn Purcell, Director Aviation Environment and Sustainability; and Borgan Anderson, Aviation Finance and Budget Director.

Growth in local industries is driving demand for increased capacity. Sea-Tac is primarily an origination-and-destination airport, which has different requirements for parking, ground transportation, and baggage facilities than airports that have more travelers with connecting flights.

A summary of Sustainable Airport Master Plan projects was provided, including updates on projects currently underway, near-term projects expected to be completed by 2027, and a forecast of long-term projects expected to be undertaken after 2027. Commissioners and staff discussed balancing port revenue and costs to airlines, awareness of debt levels, and cost per enplanement. Not expanding the airport would result in a severe downgrade of service as demand increases.

The process for environmental review was discussed. There will be a single integrated document for National Environmental Policy Act (NEPA) and State Environmental Policy Act (SEPA) review. The anticipated duration for the review is 12-18 months.

Direction was provided for community open houses, with emphasis on thoughtful inclusion of all members of all affected communities and thorough collection of data based on community input.

8. **AUTHORIZATIONS and FINAL ACTIONS**

- 8f. **Adoption of Motion 2018-07: A motion of the Port of Seattle Commission to create an International Arrivals Facility Executive Review Panel to review the execution and supervision of the project's delivery method, cost escalation, and guaranteed maximum price negotiation; calling for review and recommendations; naming members of the panel; providing for compensation; and exempting consultant contracts from competitive solicitation consistent with RCW 53.19.020.**

Request document(s) included a draft motion. The adopted version of [Motion 2018-07](#) is attached.

Presenter(s): Mike Merritt, Commission Chief of Staff.

Previously, the commission received an update on the status of the International Arrivals Facility (IAF) project and guaranteed maximum price negotiations on March 27, 2018, as agenda item 9a.

Commissioners Bowman and Steinbrueck summarized the background of the motion. The goal of the panel would be to ensure time and money spent on the IAF project are optimized. Mr. Merritt summarized the background of the panelists.

The text of the motion reads as follows:

The Commission hereby convenes a panel of experienced construction management professionals, the "Executive Review Panel," for the International Arrivals Facility project at Seattle-Tacoma International Airport, to review the execution and supervision of the project's progressive design-build project delivery method, project cost escalation, the process being used to negotiate a guaranteed maximum price (GMP) for the project, and make recommendations on the project going forward. The Executive Review Panel will conduct its review and present a written report to the commission within 60 days of appointment.

The members of the ERP shall be:

**Ken Johnsen
John Okamoto
Loren Smith
Tina Millan**

The Commission delegates authority to the Executive Director to execute up to four personal service agreements (with a maximum compensation not to exceed \$200,000) for members of the Executive Review Panel.

Staff conducted extensive outreach and have determined that a competitive solicitation process is not appropriate or cost-effective to identify and select appropriate professionals who have experience with large construction programs and have relevant experience in construction and project management, design, aviation development, and design-build contracting. Consistent with RCW 53.19.020, the commission may exempt these contracts from a competitive

solicitation process. These contracts will be filed with the commission and made available for public inspection.

Although absent from the room at the time of the vote, Commissioner Felleman expressed his support for the motion following the vote.

The motion for adoption of Motion 2018-07 (agenda item 8f) carried by the following vote:

In favor: Bowman, Calkins, Gregoire, Steinbrueck (4)

Absent for the vote: Felleman

8a. Introduction of Resolution No. 3747: A resolution of the Port of Seattle Commission establishing a Welcoming Port Policy Directive on increased engagement with, and support for, immigrant and refugee communities.

Request document(s) included an [agenda memorandum](#) and draft resolution. A copy of the final draft of [Resolution No. 3747](#) will be made available upon adoption.

Presenter(s): Eric Schinfeld, Senior Manager, Federal and International Government Relations, and Veronica Valdez, Commission Specialist.

Investment in immigration issues is in keeping with the port's mission to promote social responsibility by helping assure equal legal protection, due process, and quality of life. Engagement with international communities is also an important piece of the Port's business model.

This motion directs that the port will do the following:

- not deny services based on immigration status;
- prohibit any employees from inquiring about or collecting information regarding place of birth, citizenship, or immigration status;
- avoid using its resources in the enforcement of immigration law;
- provide facilities that are welcoming, safe, and accessible for all visitors; and
- commit to engaging and collaborating with refugee community stakeholders.

Discussions regarding this policy directive began in January 2017, following the federal travel ban. Much of the work preceded the December 2017 bylaws change requiring that policy-related matters be referred to committee. It was proposed that committee referral be waived for this item.

MOTION

For purposes of Resolution No. 3747, the motion to waive Commission Bylaws Article V, Section 6, requiring referral of policy directive and governance structure changes to a committee of appropriate purview, carried by the following vote:

In favor: Calkins, Felleman, Gregoire, Steinbrueck (4)

Absent for the vote: Bowman

Commissioner Bowman was present until 2:35 p.m. and expressed her support for the resolution prior to her departure.

The question recurred on introduction of the resolution.

The motion for introduction of Resolution No. 3747 (agenda item 8a) carried by the following vote:

In favor: Calkins, Felleman, Gregoire, Steinbrueck (4)

Absent for the vote: Bowman

8b. Adoption of Motion 2018-06: A motion of the Port of Seattle Commission to develop and implement an equity pilot program in 2018 to inform development of an equity policy directive.

Request document(s) included a draft motion. The adopted version of [Motion 2018-06](#) is attached.

Presenter(s): Veronica Valdez, Commission Specialist, and Tracy Patterson, Talent Development and Diversity Manager, Human Resources.

Previously, a presentation on this topic was made on April 24, 2018, as agenda item 9b.

Equity efforts currently underway include the Diversity in Contracting and Priority Hire policy directives, strategies to address homelessness, and mitigation of the environmental impact of port operations on disadvantaged communities. This motion will institute a toolkit to enable the port to identify and address equity matters throughout the organization. The toolkit will be designed with input from port employees and executive leadership and will be piloted on a handful of projects.

The text of the motion reads as follows:

The commission hereby directs port staff to develop and implement an equity pilot program in 2018. The pilot program shall use an equity toolkit in no less than three departments and/or projects in the port to inform the development of an equity policy directive.

The motion for adoption of Motion 2018-06 (agenda item 8b) carried by the following vote:

In favor: Calkins, Felleman, Gregoire, Steinbrueck (4)

Absent for the vote: Bowman

8c. Authorization for the Executive Director to sign an amendment to the current Enterprise/Alamo/National (EAN) rental-car lease, providing for an additional 18 years to the term of their current lease, providing a total of 20 years to the lease with EAN for car storage, washing, and maintenance in support of their operations at Seattle-Tacoma International Airport.

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

Presenter(s): W. Allan Royal, Property Manager, Aviation Properties.

This lease will provide a facility near the airport for maintenance of Enterprise/Alamo/National rental cars. There is not another suitable location available nearby; the alternative site is several miles away in the Kent valley. Keeping the facility closer to the airport will have a positive impact on carbon emissions reduction. Real estate analysis indicates that there are few suitable uses for this piece of property.

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

In favor: Calkins, Felleman, Gregoire, Steinbrueck (4)

Absent for the vote: Bowman

8d. Introduction of Resolution No. 3748: A resolution of the Port Commission of the Port of Seattle restating the Port of Seattle Statement of Investment Policy; repealing Resolution No. 3663 in its entirety; and adopting the State Treasurer's Resolution Authorizing Investment of the Port of Seattle's Monies in the Local Government Investment Pool.

Request document(s) included an [agenda memorandum](#), [presentation slides](#), draft resolution, resolution [Exhibit A](#), resolution [Exhibit B](#), [local government investment pool prospectus](#), and [2017 investment portfolio report](#). A copy of the final draft of [Resolution No. 3748](#) will be made available upon adoption.

Presenter(s): Diane Campbell, Treasury Manager.

This resolution will amend the Port of Seattle Statement of Investment Policy to allow participation in the Local Government Investment Pool (LGIP). The LGIP is already used by the Northwest Seaport Alliance and Port of Tacoma. It operates similarly to a money market fund, and the objectives of its investment policy are like those of the Port of Seattle.

The motion for introduction of Resolution No. 3748 (agenda item 8d) carried by the following vote:

In favor: Calkins, Felleman, Gregoire, Steinbrueck (4)

Absent for the vote: Bowman

8e. Introduction of Resolution No. 3749: A resolution of the Port Commission of the Port of Seattle authorizing the issuance and sale of intermediate lien revenue bonds in one or more series in the aggregate principal amount of not to exceed \$700,000,000, for the purpose of financing or refinancing capital improvements to aviation facilities; setting forth certain bond terms and covenants; and delegating authority to approve final terms and conditions and the sale of the bonds.

Request document(s) included an [agenda memorandum](#) and draft resolution. A copy of the final draft of [Resolution No. 3749](#) will be made available upon adoption.

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

The purpose of this issuance is to provide funding for airport projects. Approval of the bonds does not change requirements for authorization for funded projects. There will be a series of shorter term bonds with a lower interest rate, and longer term bonds with a higher interest rate and a drop in debt service after ten years, which will allow for future debt capacity.

The motion for introduction of Resolution No. 3749 (agenda item 8e) carried by the following vote:

In favor: Calkins, Felleman, Gregoire, Steinbrueck (4)

Absent for the vote: Bowman

9. PRESENTATIONS, REPORTS, and STAFF BRIEFINGS

9a. State Legislative End-of-Session Report.

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

Presenter(s): Pearse Edwards, Director, Government Relations; Eric ffitich, Manager, State Government Relations; and Trent House, Contract Lobbyist.

A performance summary of the port's state legislative priorities was delivered. Legislation was enacted for tourism promotion, unit price contracting for ports, and clean trucks. Budget language was enacted for an SR-518 corridor study and sustainable aviation fuels.

Next steps include a trip to eastern Washington in August, and development of the 2019 legislative agenda.

10. QUESTIONS on REFERRAL to COMMITTEE – None.

11. RECESSED AND ADJOURNED

The meeting was recessed at 3:55 p.m. to an executive session to discuss one matter relating to litigation, legal risk, and performance of a publicly bid contract. Following the executive session, which lasted approximately 65 minutes, the commission adjourned at 5:00 p.m. without returning to public session.

Prepared:

Attest:

Amy Dressler, Deputy Commission Clerk

Ryan Calkins, Commission Secretary

Minutes approved: September 11, 2018.