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## **APPROVED MINUTES COMMISSION REGULAR MEETING JUNE 26, 2018**

The Port of Seattle Commission met in a regular meeting Tuesday, June 26, 2018, in the International Auditorium at Seattle-Tacoma International Airport, Seattle, Washington. Commissioners Bowman, Calkins, Felleman, Gregoire, and Steinbrueck were present. Commissioner Bowman was present after 12:53 p.m.

### **1. CALL to ORDER**

Pursuant to Article IV, Section 8, of the Commission Bylaws, the meeting convened at 11:05 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 relating to legal risk and one matter relating to performance of a public employee. The time for reconvening was posted as 12:00 noon, in accordance with commission bylaws and the public meeting notice previously published. Following the executive session, which lasted approximately 60 minutes, the public meeting reconvened at 12:10 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**

Executive Director Steve Metruck previewed items on the day's agenda and made announcements. Aviation Division Managing Director Lance Lyttle provided a report on record-setting passenger growth and throughput at the airport. He acknowledged collaborative efforts of the Transportation Security Administration (TSA). A weekly passenger checkpoint wait-time recap is attached as minutes [Exhibit A](#).

## **ANNOUNCEMENT**

Commissioner Gregoire announced the retirement of Deputy General Counsel Isabel Safora. She acknowledged Ms. Safora's 28 years of service to the Port of Seattle, prior to which she served as City of Seattle Assistant City Attorney. Ms. Safora's public service included provision of civil legal aid services in Seattle with Evergreen Legal Services, which later merged to form Columbia Legal Services. Ms. Safora made brief comments of appreciation.

*Commissioner Bowman was present after 12:53 p.m.*

**5. PUBLIC COMMENT**

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

- Steve Wilhelm, Teacher, Northwest Dharma Association, regarding airport prayer and meditation space.
- Paula Rose, Rabbi, Congregation Beth Shalom, Seattle, regarding airport prayer and meditation space.
- Theresa Crecelius, American Muslim Empowerment Network, Muslim Association of Puget Sound, regarding airport prayer and meditation space.
- David Lipper, Rabbi, Temple B'nai Torah, Bellevue, regarding airport prayer and meditation space.
- Matin Rokhsefat, Ithna-Asheri Muslim Association of the Northwest (IMAN) Center of Kirkland, regarding airport prayer and meditation space.
- Dana Hollaway, Quiet Skies Puget Sound, regarding airport noise and emissions.
- Cara Zemanek, Quiet Skies Puget Sound, regarding airport noise and emissions.
- Michelle Giarmarco, Salmon Bay Marina, regarding liveaboard policies.
- Roland L. March, Salmon Bay Marina, regarding liveaboard policies.
- Susie Schulmeyer, Salmon Bay Marina, regarding liveaboard policies. Ms. Schulmeyer submitted written materials, which are attached as minutes [Exhibit B](#).
- Jerry Effenberger, Salmon Bay Marina, regarding liveaboard policies. Mr. Effenberger submitted written materials, which are attached as minutes [Exhibit C](#).
- Mauri Shuler, Salmon Bay Marina, regarding liveaboard policies.
- Leon Mun, Salmon Bay Marina, regarding liveaboard policies.
- Kit Kollmeyer, Salmon Bay Marina, regarding liveaboard policies.
- Gene Rubbert, Salmon Bay Marina Tenants Association, regarding liveaboard policies.
- Noah Hanson, Seattle resident, regarding liveaboard policies at Salmon Bay Marina.
- Ralph B. Ibarra, President, Diverse America Network, regarding the Washington World Fellows program. Mr. Ibarra submitted written materials, which are attached as minutes [Exhibit D](#).
- J.C. Harris, Des Moines resident, regarding airport impacts on surrounding communities.
- Debi Wagner, Burien resident, regarding airport impacts on surrounding communities. Ms. Wagner submitted written materials, which are attached as minutes [Exhibit E](#).
- In lieu of spoken testimony, written comment was submitted by Nancy B. Greer, President & CEO, Jewish Federation of Greater Seattle, regarding airport prayer and meditation space. These comments are attached as minutes [Exhibit F](#).
- In lieu of spoken testimony, written comment was submitted by the Reverend Spencer Barrett, Presiding Elder of the Pacific Northwest Conference, Fifth District, African Methodist Episcopal Church, regarding airport prayer and meditation space. These comments are attached as minutes [Exhibit G](#).

Commissioners asked questions about the lease terms and tenant policies applicable to liveaboard tenants at Salmon Bay Marina and commented on the need for better communication with the liveaboard community. Executive Director Metruck indicated the deadline to execute liveaboard moorage agreements would be extended from July 1 to August 1, 2018.

**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 January 9 and special meetings of January 30 and February 6, 2018.**

**6b. Authorization for the Executive Director to execute two professional services indefinite delivery, indefinite quantity contracts to perform environmental site support services with a total value of \$5,000,000 and a contract ordering period of five years. No funding is associated with this authorization.**

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

**6c. Authorization for Executive Director to execute two contracts totaling \$1,600,000 to provide snow removal services for the Airport Operations Area at the Airport. The contracts will be structured as one-year agreements with four one-year options.**

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

**6d. Approval of the Commission's 2018 international travel plan.**

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

**6e. Authorization for the Executive Director to advertise and execute a contract for federal government relations advocacy services for up to five years, a three-year base contract with two one-year options for an estimated contract value of \$1,500,000.**

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

**6f. Authorization for the Executive Director to enter into a settlement agreement with Craig Watson for his separation and early retirement from the Port of Seattle under the terms outlined in a proposed settlement agreement for an amount not to exceed \$500,000.**

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

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

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

Absent for the vote: Bowman

**7. SPECIAL ORDERS of BUSINESS – None.**

**8. AUTHORIZATIONS and FINAL ACTIONS**

**8a. Authorization for the Executive Director to: (1) increase the scope of work for the South Satellite Infrastructure Upgrades project following an irregular bid on February 7, 2018;**

**and (2) proceed with design updates and modifications at a cost of \$800,000, which is within the funding limits of prior authorizations. There is no funding associated with this request (CIP #C800798).**

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

Presenter(s): John Freeman, Capital Project Manager, Aviation Project Management Group.

Commissioners commented on the operational urgency of the work to be performed and the benefits to customer service. They asked about opportunities for related project work and commented on reviewing adequacy of insulation in the South Satellite.

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

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

**8b. Authorization for the Executive Director to proceed with program development, advance planning, and project definition for an expansion of the C1 Building at Seattle-Tacoma International Airport for an amount not to exceed \$500,000 (CIP #C800845).**

Request document(s) included an [agenda memorandum](#) and [presentation slides](#); brief video is also available.

Presenter(s): Keri Stephens, Aviation Capital Project Liaison, Capital Development Program Management; James Jennings, Senior Manager, Aviation Properties; and Borgan Anders, Director, Aviation Finance and Budget.

Commissioners asked about the relationship of the C-1 building to the sustainable airport master plan (SAMP). It was reported that the C-1 building is not included in SAMP and does not affect overall SAMP efforts, although it is a documented capital improvement project that will be reported on regularly while under construction. Commissioners asked for clarification about what is included in the SAMP for their own benefit as well as public understanding. Commissioners asked how the proposed expansion would affect passenger seating on the C Concourse. They asked about potential risks, including possible need to upgrade to current code requirements.

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

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

**8c. Authorization for the Executive Director to execute a contract for janitorial services at Pier 69 with Northwest Center for an estimated value of \$1,200,000 over a five-year period.**

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

Presenter(s): Nick Milos, Manager, Corporate Facilities.

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

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

**9. PRESENTATIONS, REPORTS, and STAFF BRIEFINGS**

**9a. Aviation 2019 Business Plan and Budget Development.**

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

Presenter(s): Lance Lyttle, Aviation Managing Director, and Borgan Anderson, Director, Aviation Finance and Budget.

Commissioners received a presentation describing the budget-development process in the Aviation Division and Aviation key priorities for 2019. The division's goal of creating a world-class airport, which includes attention to aesthetics and efficient throughput of passengers, was emphasized. Industry context, operational challenges, and projected passenger growth based on regional demand were addressed.

Commissioners commented on factoring-in unexpected growth in budget planning and asked about growth trends prior to 2012. They noted budget resiliency as a hedge against economic downturn. Commissioners asked about the status of the airport signage master plan. They asked for clarification on proposed employee engagement initiatives. Commissioners asked about the status of the Ground Transportation Access Plan

Commissioners asked whether parking objectives were in conflict with port environmental goals. They questioned plans to encourage non-passenger retail at the airport. They commented on changing trends in the parking market and on possibilities related to an airport hotel. Proposing alternatives for broad application of ground transportation access fees was mentioned. Commissioners noted the opportunity to use vehicle access fees to apply equitable treatment for all vehicles using port facilities, which creates environmental and congestion impacts.

Aeronautical and non-aeronautical revenue forecasts were presented. Cost per enplanement is expected to grow from \$11.63 to approximately \$13.90 as a result of new airport infrastructure going into use and adding to calculation of the rate base. Expected revenue growth in 2019 was characterized as modest. In response to commissioner inquiries, it was reported that actual revenues for 2018 are trending very close to forecast. The Aviation 2019 budget request will likely include 45 additional full-time-equivalent staff positions, some of which are needed for employee security screening.

**9b. Customer Experience and Business Intelligence at the Airport.**

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

Presenter(s): Michael Drollinger, Director, Business Intelligence.

Mr. Drollinger defined business intelligence as the organizational capacity to get insight from data. He described the difference between having business-process data and understanding its relevance to the organization. The work of the business intelligence department bridges information technology and port lines of business to analyze existing data and obtain new data as needed to serve the port's goals and objectives.

Goals of the department include promoting broad availability of data, reducing wasted effort in all data-related activities, improving organizational knowledge, enabling focus and clarity to support strategic planning, and stimulating a culture of learning, sharing, and valuing information. He presented examples of successful business intelligence efforts providing comprehensible data related to customer experience at Seattle-Tacoma International Airport.

Commissioners commented on the benefits of public accessibility to port data. They remarked on the components of a useful dashboard system for interpreting data, including compatibility with mobile applications. Commissioners noted the importance of verifying that the port is collecting relevant data and communicating it well. The value of measuring leading indicators versus lagging indicators was discussed.

## **ANNOUNCEMENTS**

Commissioners welcomed graduate intern Carter Osborne to the Office of the Commission.

Regarding commission international travel (see agenda item 6d), Commissioner Gregoire recommended that the overall cost for such travel be reduced in 2019 and opined that the transparency intended by Resolution No. 3604 should include visibility into the cost of travel, not just locations intended for international trips.

**10. QUESTIONS on REFERRAL to COMMITTEE – None.**

## **11. ADJOURNMENT**

There was no further business, and the meeting adjourned at 3:30 p.m.

Prepared:

Paul J. White, Commission Clerk

Attest:

Ryan Calkins, Commission Secretary

Minutes approved: September 11, 2018.