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APPROVED MINUTES COMMISSION SPECIAL MEETING AUGUST 7, 2018

The Port of Seattle Commission held a special meeting, Tuesday, August 7, 2018, to hold a study session on economic development topics with stakeholders from Eastern Washington. The meeting was held at the Student Academic Center of the Washington State University (WSU) Spokane campus, 412 East Spokane Falls Boulevard, Spokane, Washington. Commissioners Bowman, Calkins, Felleman, Gregoire, and Steinbrueck were present.

Commission President Courtney Gregoire called the meeting to order at 1:40 p.m.

In addition to port commissioners, participants included Daryll B. DeWald, Chancellor, Washington State University, Spokane; Meg Lindsay, Director, Education and Workforce, Greater Spokane Incorporated; Cassidy Peterson, Career Connected Learning Manager, Greater Spokane Incorporated; Jodi Strote, Education Attainment Navigator, Greater Spokane Incorporated; Kris Johnson, President and CEO, Association of Washington Business; Kelly Fukai, Regional Affairs Director, Schweitzer Energy Labs; Dr. Ryan Bradetich, CISSP, Vice President Automation and Communication, Schweitzer Energy Labs; and Joe Poire, Executive Director, Port of Whitman County.

Topics of discussion during the study session included the following:

- WSU's Health Sciences program is focused on nursing, pharmacy, and physician education.
- Research expenditure in the health sciences program is approximately \$30 million annually and growing and represents about twice that amount in regional economic impact.
- Pharmaceutical licensing results in about 3.7 percent of the university's research revenue. Although patenting is costly, it is an aim of the university to increase licensing revenue to 10 percent and to create an environment conducive to applied pharmaceutical research.
- Greater Spokane Incorporated (GSI) serves as a regional economic development organization and chamber of commerce.
- Key community initiatives of GSI include growing a healthy life sciences industry, expanding aerospace and advanced manufacturing, and increasing educational attainment in the workforce development pipeline.
- Career Connected Learning aims to bridge industry and education communities to create career opportunities for youth in a variety of industry sectors.
- GSI's programs related to Career Connected Learning include access2experience™, which uses an online matching platform to connect educators with business professionals to create career development opportunities for students, and Greater

Minds, which provides career development opportunities for working adults returning to school.

- There are numerous STEM-related industry, education, investment, and community organization collaborators in the Spokane area.
- Rural economic development efforts and strategic approach of the Association of Washington Business (AWB) was discussed.
- Employment and job growth remain sluggish in rural areas of Washington, despite rural areas accounting for 25 percent of Washington jobs and several leading U.S. exports.
- Ferry, Stevens, and Pend Oreille Counties have suffered from federal and state regulatory changes that have affected timber harvesting and gold mining with a disproportionate economic impact due to the rural nature of those areas.
- Issues affecting the rural economy identified in summits convened by AWB include lack of rural broadband service, workforce deficiencies, inadequate infrastructure, and lack of affordable workforce housing.
- Adams County and much of southeast Washington are limited by lack of rural broadband service.
- AWB's recommendations for infrastructure investment to yield job production and increased economic activity focus on provision of water, energy transmission, rural communications, and roads, bridges, and ports.
- Commissioners opined on the attractiveness of Washington's rural areas to visitors.
- Cyber security considerations for power delivery systems were illustrated using the case of a Russian cyber-attack launched in 2015 on utility control rooms in Ukraine.
- Models of cyber security based on principles of least privilege and defense in depth were described and security models for inclusive, large networks versus multiple, smaller networks were illustrated.
- The condition of the communications network in Whitman County and the precursors to efforts to obtain authority for ports to invest in rural broadband infrastructure were described.
- There was a discussion of the advantages for ports engaging in provision of broadband infrastructure rather than other entities, such as utility districts or municipalities, based on the business model of a port authority and its capacity to work with the private sector on a long-term return on investment.
- Benefits of the Port of Seattle pursuing installation of broadband infrastructure were noted, including the opportunity to ensure equitable provision of services to rural, economically disadvantaged areas, economic development opportunities, net neutrality, and the potential to reduce or control the port's own operating costs over time.

The meeting adjourned at approximately 4:15 p.m.

Prepared:

Attest:

Paul J. White, Commission Clerk

Ryan Calkins, Commission Secretary

Minutes approved: September 25, 2018.