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**APPROVED MINUTES
COMMISSION REGULAR MEETING DECEMBER 8, 2020**

The Port of Seattle Commission met in a regular meeting Tuesday, December 8, 2020. The meeting was held remotely in accordance with the Governor's 'Safe Start' order and Proclamation 20-28. Commissioners Bowman, Calkins, Cho, Felleman, and Steinbrueck were present.

1. CALL to ORDER

Pursuant to Article IV, Section 8, of the commission bylaws, the meeting convened at 10:30 a.m. to conduct an executive session.

2. EXECUTIVE SESSION pursuant to RCW 42.30.110

The public meeting was immediately recessed to an executive session to discuss two matters relating to litigation/potential litigation/legal risk (RCW 42.30.110(1)(i)), with the intention of reconvening the public session at 12:00 p.m. Following the executive session, which lasted approximately 75 minutes, the public meeting reconvened at 12:01 p.m. Commission President Steinbrueck led the flag salute.

3. APPROVAL of the AGENDA

Without objection, the preliminary agenda was approved without revisions.

4. SPECIAL ORDERS OF THE DAY - None.

5. EXECUTIVE DIRECTOR'S REPORT

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

6. COMMITTEE REPORTS

Aaron Pritchard, Commission Policy Manager, reported that the next committee meetings would be held on December 10 for Audit Committee and December 11 for Biometrics Special Committee and Aviation Committee.

7. PUBLIC COMMENT

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

- Kathy Casey, ADR tenant and ABAAC steward, spoke regarding the elimination of Minimal Annual Guarantee (MAG), stated that the Port needs to recognize the impacts on

- concessionaires, and asks that the current MAG waiver be extended through the first quarter of 2021.
- David Fukuhara, ADR concessionaire, recognized the Port's efforts in helping all SeaTac concessionaires through the pandemic, spoke to continued lock-downs, urged approval of Item 10c, and requested that the MAG waiver relief be extended through the first quarter of 2021.
 - Jean Thompson, Owner, Seattle Chocolate Company and airport concessionaire, spoke regarding the impact to sales due to increases in Covid-19 cases and extended shut-downs and asked for an extension of the MAG waiver through the first quarter of 2021.
 - Stacey House, Co-owner, Lucky Louie Fish Shack, requested an extension of the MAG waiver through the first quarter of 2021.
 - Daniel Nguyen, Owner, Bambuza Vietnam Kitchen & Bar, thanked the airport staff for their support and requested additional relief for ADR tenants and extension of the MAG waiver through March 2021.
 - Charles Costanzo, General Counsel and Vice-president, Pacific Region of American Waterways Operators, supported Item 10a for the Maritime Innovation Center and spoke regarding the opportunity it presents to the community and maritime industries.
 - Peter Terabotcha, President of Seattle Marine Business Coalition and Vice-president of Elliott Bay Design Group, supported Item 10a, for funds to build the Maritime Innovation Center.
 - Laura Gibbons, volunteer with 350 Seattle's Aviation Team, spoke regarding Item 11a and climate impacts, noting that steps to increase and facilitate tourism and increase aviation is incompatible with the Port's climate goals. Written materials submitted are attached as minutes [Exhibit A](#).
 - Jordan Van Voast, member of Seattle Cruise Control, spoke regarding climate control, unsustainable lifestyles, and consumption. Written materials submitted are attached as minutes [Exhibit B](#).
 - Ian McCluskey, Snohomish County Climate Action Committee, spoke regarding Item 11a, climate crisis, and the Port's commitment to reducing carbon emissions. Written materials submitted are attached as minutes [Exhibit C](#).
 - Devi Khadka, Joseph Wallis, Kufa Benta, Stefan Moritz, and Ronnie Lalimo, Unite Here Local 8, spoke regarding the impacts on airline catering workers paid under the Seatac minimum wage and in support of implementing SB 6217 for these workers.
 - In lieu of spoken comment, Ann Jarris, CEO, Discovery Health MD, submitted written comments regarding Item 10a and shared her experience on the benefits of providing a collaborative workspace for maritime focused companies. Written materials received are attached as minutes [Exhibit D](#).
 - In lieu of spoken comment, Jeffrey Utterback, former Port employee, submitted written comments supporting passage of Item 10a, grant funds for the Fisherman's Terminal Maritime Innovation Center and preservation of Fisherman's Terminal, due to its place in Seattle's maritime history. Written materials received are attached as minutes [Exhibit E](#).
 - In lieu of spoken comment, Sarah Shifley, volunteer, 350 Seattle's Aviation team, submitted written comments urging the Port to amend its federal legislative agenda, Item 11a, to focus on aviation degrowth rather than expansion and noted that biofuels do not

- reduce emissions from fuel burned. Written materials received are attached as minutes [Exhibit F](#).
- In lieu of spoken comment, Aer Parris, Seattle resident, submitted written comments regarding Item 11a and voiced concerns for emissions from aviation fuels burned. Written materials received are attached as minutes [Exhibit G](#).
 - In lieu of spoken comment, Tyrell Hedlund, Seattle resident, submitted written comments regarding Item 11a and urged a reduction in air travel and aviation fuels burned. Written materials received are attached as minutes [Exhibit H](#).
 - In lieu of spoken comment, John Birnel, volunteer, 350 Seattle's Aviation team, submitted written comments regarding Item 11a urging the Port to broaden its state mandate to enable it to more freely promote climate stability, as well as a sustainable and equitable future. Written materials received are attached as minutes [Exhibit I](#).
 - In lieu of spoken comment, Sharla Dodd, Seattle resident, submitted written comments regarding Item 11a urging the Port to pursue legislative and regulatory changes that will lead to a meaningful reduction in air travel and address climate crisis. Written materials received are attached as minutes [Exhibit J](#).
 - In lieu of spoken comment, Bernedine Lund, member of Quiet Skies of Puget Sound and volunteer member of 350 Seattle's Aviation team, submitted written comments correcting her November 17, 2020, comments. Written materials received are attached as minutes [Exhibit K](#).

8. CONSENT AGENDA

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

- 8a. Approval of the minutes of the regular meetings of November 10 and November 17, 2020**
- 8b. Approval of the [Claims and Obligations](#) for the period November 1, 2020, through November 30, 2020, including accounts payable check nos. 937439-937688 in the amount of \$4,071,810.42; accounts payable ACH nos. 030522-031186 in the amount of \$60,717,829.92; accounts payable wire transfer nos. 015490-015497 in the amount of \$4,726,132.18, payroll check nos. 197491-197664 in the amount of \$56,640.57; and payroll ACH nos. 996763-1001060 in the amount of \$11,883,055.22 for a fund total of \$81,455,468.31**

Request document(s) included an agenda memorandum.

- 8c. Authorization for the Executive Director to execute two consulting indefinite delivery, indefinite quantity contracts for cost estimating services for a total amount not-to-exceed \$3 million and a contract ordering period of five years. There is no funding associated with this request.**

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

- 8d. **Authorization for the Executive Director to authorize \$85,000 in design and permitting phase funding for the proposed underdock utility replacement at Pier 69. This funding request would increase the total project authorization to-date to \$310,000, out of a preliminarily estimated total project cost of \$2,930,000. (CIP #C801102)**

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

- 8e. **Authorization for the Executive Director to execute a contract not-to-exceed \$450,000 for consulting services to support a comprehensive review of the Port's current compensation program for non-represented employees. The review will assess what works well and what can be improved, recommend program improvements and a schedule for making them, and assist the Port in developing and implementing new or updated compensation program elements. This will be a three-year contract.**

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

The motion for approval of consent agenda items 8a, 8b, 8c, 8d, and 8e carried by the following vote:

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

Opposed: (0)

9. UNFINISHED BUSINESS – None.

10. NEW BUSINESS

- 10a. Authorization for the Executive Director to (1) Execute an Interagency Agreement with the Washington State Department of Commerce for the \$5,000,000 grant offered by the Clean Energy Fund Program to fund Fishermen's Terminal Maritime Innovation Center. (2) Authorize Construction of the Maritime Innovation Center, which is the condition for executing the Interagency Agreement with Washington State Department of Commerce. (CIP #C801084)**

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

Presenter(s):

Dave McFadden, Managing Director, Economic Development;
Stephanie Jones Stebbins, Managing Director, Maritime
Kyra Lise, Director, Real Estate Development
Chris Green, Department of Commerce;
Joshua Berger, Director of ED for Maritime
Mike Jobes, Principal, Miller/Hull

Commission Clerk Michelle Hart read Item 10a into the record.

Executive Director Metruck introduced the item and presenters.

The presentation addressed:

- Seeking authorization to execute an interagency agreement with Washington State Department of Commerce to support construction of the Maritime Innovation Center;
- No funding requested at this time;
- The project is part of the 2019 – 2023 Capital Improvement Plan;
- Maritime Innovation Center progress;
- The purpose of the center – to support technology acceleration and incubation, and act as a focal point for maritime sustainability, including, but not limited to, supporting technology development for maritime decarbonization and electrification;
- State investment and partnership - \$5mil commitment;
- Maritime Blue
 - advancing innovation;
 - innovation accelerator;
- Innovation center strategic objectives;
- Ship supply building – assets for innovation;
- Proposed building improvements;
- Status and certainty of the project;
- Project cost summary; and
- Next steps;
 - Complete design work;
 - Refine cost estimates;
 - Secure permits;
 - Secure construction funding;
 - Partner with Maritime Blue to evaluate tenant options as facility starts construction; and
 - Achieve Living Building Challenge certification.

Members of the Commission discussed:

- the sequencing of the project – spending the next year completing design and securing permits during the same period;
- updates to the Commission which will occur during that period;
- the significance of the original structure, while giving it new economic life and applying the Living Building Challenge;
- receiving a more specific and detailed business plan which would include a projection of funding sources and tenants, and an understanding of if the project will require additional subsidy to operate and maintain, or if the Port has secured sufficient commitments to ensure adequate funds in the long-term;
- the elements of equity that meet the Living Building Challenge;
- securing a historic designation for the building; and
- interest in securing leases in maritime.

The motion, made by Commissioner Felleman, for approval of Item 10a, carried by the following vote:

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

Opposed: (0)

10b. Introduction of Resolution No. 3782: A Resolution of the Port Commission of the Port of Seattle appointing Lisa Lam, Assistant Director, Accounting and Financial Reporting Department, as Port Auditor for the Port of Seattle pursuant to RCW 53.36.010 and RCW 42.24.080.

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

Presenter(s):

Rudy Caluza, Director, Accounting and Financial Reporting; and
Lisa Lam, Assistant Director, Financial Reporting Revenue Services

Commission Clerk Michelle Hart read Item 10b into the record.

Executive Director Metruck introduced the item and presenters, noting that Debbi Browning, Assistant Director, Accounting and Financial Reporting, has retired after 27 years of service with the Port. Lisa Lam, Assistant Director, Financial Reporting Revenue Services, upon Commission approval will be taking the position after 15 years of service at the Port.

Mr. Rudy Caluza reported that Ms. Lam will be appointed Port Auditor by ultimate approval of the final resolution, pursuant to RCW 53.36.010 and RCW 42.24.080. If this introduction is approved, final authorization will be before the Commission during the December 15, 2020, meeting.

Ms. Lam spoke, thanking Ms. Browning for her service and the Executive, staff, and the Commission for supporting her in the position.

The motion, made by Commissioner Bowman, for introduction of Resolution 3782, carried by the following vote:

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

Opposed: (0)

10c. Order 2020-21 an order of the Port of Seattle Commission to authorize additional adjustments to agreements with tenants and concessionaires impacted by the COVID-19 pandemic.

Requested document(s) included a [order](#).

Presenter(s): Aaron Pritchard, Commission Policy Manager

Commission Clerk Michelle Hart read Item 10c into the record.

Executive Director Metruck introduced the item and presenters.

Mr. Pritchard read the text of the Order into the record noting that the Order updates the April 1, 2020, directive given by the Commission for short-term pandemic relief for Port tenants and concessionaires. The Order would authorize the Executive Director to continue to manage agreements with airport food, beverage, and retail concessionaires and make short-term adjustments to maintain a sustainable base of key services for passengers using the airport.

Commission discussion ensued regarding:

- the work of the Port and the ability of tenants and concessionaires to come forward to address the issues;
- receiving more data related to the MAG and requested extension of its waiver;
- giving the Executive Director authority through the Order to implement measures;
- the Order also being applicable to non-aviation Port tenants and concessionaires; and
- supporting the Port's financial interest in supporting Port tenants and concessionaires.

The motion, to adopt Order 2020-21, was made by Commissioner Felleman.

A primary amendment, made by Commissioner Bowman, to amend Order No. 2020-21, line 10, to add the sentence: "In carrying out this authority, the Executive Director will seek input from Commissioners on the types of adjustments prior to implementation," carried by the following vote:

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

Opposed: (0)

The main motion, as amended, carried by the following vote:

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

Opposed: (0)

11. PRESENTATIONS AND STAFF REPORTS

11a. Federal Legislative Agenda for 2021

Presentation document(s) included an agenda [memorandum](#), [presentation slides](#), and a [federal aviation](#) and [maritime agenda](#).

Presenter(s):

Ryan McFarland, Federal Government Relations Manager; and
Eric Schinfeld, Senior Manager, Federal and International Government Relations

Commission Clerk Michelle Hart read Item 11a into the record.

Executive Director Metruck introduced the item and presenters.

The presentation addressed:

- 2020 Port Successes;

- 2021 Outlook;
- Priority Agenda Items – Portwide COVID-19;
- Priority Agenda Items – Portwide General;
- Priority Agenda Items – Aviation;
- Priority Agenda Items – Maritime;
- Additional Priority Issue Areas – Portwide;
- Additional Priority Issue Areas – Aviation;
- Additional Priority Issue Areas – Maritime; and
- Additional Issues to Monitor.

Next steps in the process include:

- Now through January 12, 2021 – incorporate feedback received;
- January 12, 2021 – ask Commission for adoption in public session; and
- February 2021 – meetings with Congressional offices to distribute agenda and share priorities.

11b. Internal Audit – Audits Completed in 2020

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

Presenter(s):

Glenn Fernandes, Director, Internal Audit; and
Christina Gehrke, Audit Committee Public Member

Commission Clerk Michelle Hart read Item 11b into the record.

Executive Director Metruck introduced the item and presenters.

The presentation addressed:

- Structure and function of the Internal Audit Department;
- 17 audits, one analysis memo, and two summary reports completed in 2020;
- Key themes;
- Highlighted Audits;
- Operational – Cash Controls;
- Operational – Public Health Emergency Leave Program (PHEL);
- Operational – Ground Transportation – Taxi Cabs;
- IT Audits;
- Limited Contract Compliance; and
- 2021 Audit Strategy.

Members of the Commission spoke to the importance of the internal audit process and thanked Mr. Fernandes, staff, and Members of the Audit Committee for their work throughout the year.

11c. Opportunity Youth Initiative Briefing

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

Presenter(s):

Bookda Gheisar, Senior Director, Equity, Diversity, and Inclusion;
Gail Muller, Project Specialist, Tourism Economic Development;
Huan Do, Director, Seattle Goodwill Industries;
Hien Kieu, Executive Director, Partner in Employment;
Jake Bookwalter, Intern, Friends of Georgetown History and Industry; and
Avery Brown, Intern, Friends of Georgetown History

Commission Clerk Michelle Hart read Item 11c into the record.

Executive Director Metruck introduced the item and presenters.

The presentation addressed:

- COVID-19 King County – total unemployment claims by zip code;
- Port's Response to Community Need;
- Nearly 200 Youth Opportunities Created;
 - Seattle Goodwill Industries – 70 youth
 - Partner in Employment – 33 youth
 - Urban League of Metropolitan Seattle – 76 youth
 - Seattle Parks Foundation – 17 youth
- Maritime and Aerospace Focus;
- Environmental Green Jobs;
- Construction Readiness;
- Green Jobs Focus;
- Program Challenges;
- Participant Profile;
- Removing Barriers and Challenges;
- Youth Opportunities with Impact; and
- Youth Feedback.

Members of the Commission:

- thanked Commissioner Bowman for her sponsorship and staff for the presentation and the work that has gone into supporting and informing the South King County Fund effort;
- spoke regarding the desire to see the program sustained; and
- encouraged a write-up as a case study for a program evolving from the pilot program, to include the green jobs element.

12. QUESTIONS on REFERRAL to COMMITTEE and CLOSING COMMENTS – None.

13. ADJOURNMENT

There was no further business, and the meeting adjourned at 4:11 p.m.

Prepared:

Attest:

Michelle M. Hart, Commission Clerk

Sam H. Cho, Commission Secretary

Minutes approved: January 12, 2021.