



# COMMISSION REGULAR MEETING AGENDA

July 27, 2021

To be held in virtually via MS Teams in accordance with Senate Concurrent Resolution 8402 and in accordance with Governor Inslee's Proclamations 20-05 and 20-28 et seq. You may view the full meeting live at [meetings.portseattle.org](https://meetings.portseattle.org). **To listen live, call in at +1 (425) 660-9954 and Conference ID 108 001 913#**

## ORDER OF BUSINESS

10:30 a.m.

### 1. CALL TO ORDER

2. **EXECUTIVE SESSION** – *if necessary, pursuant to RCW 42.30.110 (executive sessions are not open to the public)*

### ► 12:00 noon – PUBLIC SESSION

Reconvene or Call to Order and Pledge of Allegiance

3. **APPROVAL OF THE AGENDA** (*at this time, commissioners may reorder, add, or remove items from the agenda*)

### 4. SPECIAL ORDERS OF THE DAY

### 5. EXECUTIVE DIRECTOR'S REPORT

### 6. COMMITTEE REPORTS

7. **PUBLIC COMMENT** – *procedures available online at <https://www.portseattle.org/page/public-comment-port-commission-meetings>*

**DUE TO SENATE CONCURRENT RESOLUTION 8402 AND THE GOVERNOR'S PROCLAMATION 20-28** there will be no physical location for this meeting and the

**PORT WILL NOT ACCEPT** in-person, verbal comments during the regular meeting of July 27, 2021. Alternatively, during the regular order of business, those wishing to provide public comment will have the opportunity to:

**1) Deliver public comment via email:** All written comments received by email to [commission-public-records@portseattle.org](mailto:commission-public-records@portseattle.org) will be distributed to commissioners and attached to the approved minutes.

**2) Deliver public comment via phone or Microsoft Teams conference:** To take advantage of this option, please email [commission-public-records@portseattle.org](mailto:commission-public-records@portseattle.org) with your name and the topic you wish to speak to by 9:00 a.m. PT on Tuesday, July 27, 2021. You will then be provided with instructions and a link to join the Teams meeting.

**This process will be in place until further notice. For additional information,** contact [commission-public-records@portseattle.org](mailto:commission-public-records@portseattle.org).

8. **CONSENT AGENDA** (*consent agenda items are adopted by one motion without discussion*)

8a. Approval of the Minutes of the Regular Meeting of July 13, 2021. **(no enclosure) (p.3)**

- 8b. Authorization for the Executive Director to Complete Design on the Departures Drive Drainage Project at Seattle-Tacoma International Airport (SEA) in the Amount of \$500,000 for a Total Estimated Project Cost of \$1,880,000. (CIP #C801036) ([memo](#) and [presentation](#) enclosed) (p.13)
- 8c. Authorization for the Executive Director to (1) Prepare Design and Construction Bid Documents for the Communication Enhancement Project and (2) Utilize Port of Seattle Crews and Small Works Contracts for Pre-Construction Work. This Request is for \$3,000,000 to Increase the Total Authorized Amount to \$3,200,000 with an Estimated Total Project Cost of \$11,000,000. (CIP #C801161) ([memo](#) and [presentation](#) enclosed) (p.23)
- 8d. Authorization for the Executive Director to (1) Proceed with the Smart Restrooms Plan to Procure Software and Vendor Services to Implement a Comprehensive, Airport-specific Custodial and Analytics Platform; (2) Execute Contract(s) for Software, Equipment, and Vendor Implementation Services in a Minimum of Four Airport Public-facing Restrooms; (3) Prepare Design and Construction Bid Documents for the Related Infrastructure Work Required; (4) Use Port Staff for Implementation, (5) Advertise and Execute Small and Major Works Contracts and Utilize Port Crews to Perform the Construction Work; (6) Authorize Contracting Authority for a Contract for up to Ten Years for Software License, Service, and/or Maintenance Fees Estimated at \$1,380,000. The Amount Requested for Project Implementation is \$1,300,000. (CIP #C801184) ([memo](#) enclosed) (p.37)

## 9. UNFINISHED BUSINESS

## 10. NEW BUSINESS

- 10a. Authorization for the Executive Director to Execute Contract Agreements and Implement the 2021 South King County Fund Program in an Amount Not-to-Exceed \$2 million. ([memo](#) and [presentation](#) enclosed) (p.42)
- 10b. Authorization for the Executive Director to (1) Execute a Contract with Bombardier Transportation Holdings USA for Goods and Services; (2) Advertise and Award a Major Works Construction Contract; (3) Advertise and Award Contracts for Busing and Wayfinding Services, and (4) Use Port Crews and Small Works Contracts, in Support of the STS Controls Renewal and Upgrade Project at the Seattle-Tacoma International Airport (Airport). (CIP #801043) The Amount of this Request is \$69,240,000 for a Total Project Authorization of \$78,240,000. ([memo](#) and [presentation](#) enclosed) (p.53)
- 10c. Adoption of Resolution No. 3789, Flight Kitchen Minimum Labor Standards, Enacting Minimum Wage and Worker Retention Requirements Applicable to Certain Employers Located at Seattle-Tacoma International Airport, Pursuant to the Authority Granted to the Port under RCW 14.08.120(2). ([memo](#) and [resolution](#) enclosed) (p.69)

## 11. PRESENTATIONS AND STAFF REPORTS

- 11a. 2022 Budget Development Briefing. ([memo](#) and [presentation](#) enclosed) (p.75)

## 12. QUESTIONS on REFERRAL to COMMITTEE and CLOSING COMMENTS

## 13. ADJOURNMENT



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## **APPROVED MINUTES COMMISSION REGULAR MEETING JULY 13, 2021**

The Port of Seattle Commission met in a regular meeting Tuesday, July 13, 2021. The meeting was held remotely in accordance with Senate Concurrent Resolution 8402 and in accordance with Governor Inslee's Proclamation 20-28. Commissioners Bowman, Calkins, Cho, Felleman, and Steinbrueck were present.

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

The meeting was convened at 10:30 a.m. by Commission President Fred Felleman.

### **2. EXECUTIVE SESSION pursuant to RCW 42.30.110**

The public meeting recessed into executive session to discuss three matters relating to litigation/potential litigation/legal risk (RCW 42.30.110(1)(i)) for approximately 75 minutes, with the intention of reconvening the public session at 12:00 p.m. The Executive Session exceeded anticipated timeframe and the Clerk of the Commission announced a formal extension of the session for an additional 10 minutes. Following the executive session, the public meeting reconvened at 12:12 p.m. Commission President Felleman led the flag salute.

### **3. APPROVAL of the AGENDA**

Without objection, the preliminary agenda was approved as presented.

### **4. SPECIAL ORDERS OF THE DAY – None.**

### **5. EXECUTIVE DIRECTOR'S REPORT**

Executive Director Metruck previewed items on the day's agenda and made announcements. Staff also provided a report to the Commission and public regarding summer travel.

### **6. COMMITTEE REPORTS**

Mr. Aaron Pritchard, Deputy Commission Chief of Staff, provided a report regarding recently held committee meetings and overviewed the schedule of upcoming committee meetings.

### **7. PUBLIC COMMENT**

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

- The following person spoke regarding restarting the discussion of Port package updates: JC Harris, City of Des Moines City Council Member.

*Digital recordings of the meeting proceedings and meeting materials are available online – [www.portseattle.org](http://www.portseattle.org).*

- The following person spoke regarding climate impacts, global warming, and impacts of Port policies on the same: Jordan Van Voast, resident.
- The following people spoke in support of the return of cruise to the region: Karen Olson, Chief Marketing Officer – Space Needle/Chihuly Garden and Glass; Amber Martin, Senior Marketing Manager, Museum of Pop Culture; and Brad Jones, Executive Director – Visit Seattle.
- The following person spoke in opposition to the T46 project and the restart of cruise operations in the region: Iris Antman, resident.
- The following people spoke in opposition to Agenda Item No. 10a regarding the use of biometrics surveillance at Port facilities: Jennifer Lee, ACLU of Washington; Cynthia Spiess, resident (corresponding written testimony submitted); and Edward Hasbrouck, non-resident.
- In lieu of spoken comment, Melinda Mueller and Terri Cole, residents, submitted written comments in opposition to expansion of the L06 parking lot and in support of leaving the open space available as it is currently used.
- In lieu of spoken comment, Jessie Turner, Director of the International Alliance to Combat Ocean Acidification, submitted written comments in support of Agenda Item No. 11c, thanking the Port for its Ocean Acidification Plan.
- In lieu of spoken comment, Sarah Shifley and Laura Gibbons, residents, submitted written comments regarding Agenda Item No. 11c, urging the Port to set concrete and measurable steps for how it will meet the Scope 3 emission reduction targets outlined in the Port's Century Agenda.
- In lieu of spoken comment, Bernedine Lund, resident, submitted written comments asking the Port to consider what growth of the airline industry really means, referencing a PSRC report predicting flight increase numbers by 2050, and noting health effects caused by the airline industry in an effort to decrease the demand for flights.
- In lieu of spoken comment, Anne Kroeker and Richard Leeds, residents, submitted written comments providing an overview of recent findings completed by Dutch researchers regarding the growth of one of their international airports, and asking the Port to consider Scope 3 emissions which bring about climate change effects.
- In lieu of spoken comment, Farris Peale, submitted written comments in opposition to agenda item 10a.

*[Clerk's Note: All written comments are combined and attached here as Exhibit A.]*

## **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 Special Meeting/Study Session of June 8 and the Regular Meeting of June 22, 2021.**
- 8b. Approval of the Claims and Obligations for the Period June 1, 2021, through June 30, 2021, Including Accounts Payable Check Nos. 939948 through 940233 in the Amount of \$5,043,370.29; Accounts Payable ACH Nos. 036048 through 036721 in the Amount of \$49,851,576.73; Accounts Payable Wire Transfer Nos. 015620 through 015643 in the Amount of \$10,698,463.83, Payroll Check Nos. 198817 through 199023 in the Amount**

of \$56,512.91; and Payroll ACH Nos. 1028705 through 1032935 in the Amount of \$11,662,990.13 for a Fund Total of \$77,312,913.89.

Request document(s) included an agenda memorandum.

- 8c. Authorization for the Executive Director to Execute a Contract for External Audit Services for the Financial Periods 2022 to 2026 in an Estimated Amount Not-to-Exceed \$3,000,000 for the Full Contract Term. The Base Contract is Three Years with the Option to Extend for Two Additional One-year Terms.**

Request document(s) included an agenda memorandum.

- 8d. Authorization for the Executive Director to Approve the King County Public Safety Answering Point Interlocal Agreement 2021-2023. No additional funding is Associated with this Request.**

Request document(s) included an agenda memorandum and draft agreement.

- 8e. Authorization for the Executive Director to Advertise, Award, and Execute a Construction Contract for the Construction of the Building 161G AV Facility Upgrade Project at Seattle-Tacoma International Airport. The Amount of this Request is \$1,993,000 for a Total Estimated Project Cost Not-to-Exceed \$2,972,000. (CIP # C800924)**

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

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. Order No. 2021-06: Directing the Executive Director to Develop and Implement Executive Policies Banning Port and Private Sector Uses of Public-facing Biometrics for Mass Surveillance, and for Law Enforcement and Security Functions; Developing and Implementing Port Policies – Within the Limitations of State and Federal Law – Related to Port, Federal and Private-sector Uses of Public-facing Biometrics at Port Facilities for Traveler Functions; and Endorsing Federal Legislation Implementing a Moratorium on Federal Uses of Biometrics not Explicitly Approved by the United States Congress..**

Request document(s) included a proposed order, letter 1, letter 2, and letter 3, and presentation slides.

Presenter(s):

Eric Schinfeld, Senior Manager, Federal & International Government Relations

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

Executive Director Metruck introduced the item and presenters.

The presentation addressed:

- background of the discussion, work accomplished to-date, and resulting policy recommendations;
- Motion 2019-13, adopting seven guiding principles in the study of policy around the issue of biometrics use, establishing a Port working group and external advisory group, creation of a Commission special committee to study biometrics, and a moratorium on any new or expanded use of biometrics at Port facilities until after Commission approval of policy recommendations and adopted policies;
- work conducted with a focus on transparency;
- multiple use case recommendations;
- observations;
- Biometrics Special Committee recommendations;
- Executive policies;
  - Ban on mass surveillance
  - Ban on law enforcement and security uses
  - Biometrics for traveler functions by Port and non-airline tenants
  - Biometrics by federal or airline partners
  - Related policies
- Public-facing biometrics guiding principles – justified, voluntary, private, equitable, transparent, lawful, and ethical;
- Biometric air exit – facial recognition technology to verify the identity of departing international air passengers;
- Biometric air exit communications plan and
- Biometric air exit signage.

Order No. 2021-06:

The Port Commission hereby directs the Executive Director to develop and implement executive policies to:

- 1) Extend the Port's existing ban on Port and private-sector use of public-facing biometrics for mass surveillance<sup>1</sup> at Port facilities, and by Port employees overall.
- 2) Extend the Port's existing ban on Port and private-sector use of public-facing biometrics to perform real time or near-real time law enforcement and security functions at Port facilities, and by Port employees overall.

- 3) Ensure, to the greatest extent permissible under state and federal law, that all uses of public-facing biometrics at the Port's aviation and maritime facilities for traveler functions are in alignment with the Port's biometric principles and policies.

In addition, the Executive Director shall include in the Port's Federal Legislative Agenda support for legislation that institutes a moratorium on federal government use of public-facing biometrics except for uses explicitly authorized by the United States Congress, and shall direct staff to advocate for this policy to the Washington Congressional delegation and relevant members of the Biden-Harris Administration.

Commissioner Cho spoke regarding Item No. 10a, thanking everyone participating in the process, including Port Federal and International Government Relations Senior Manager Eric Schinfeld and previous Commission Office Specialist, Veronica Valdez. He spoke to the need to regulate new technologies where racial bias could be built into the systems and protect against the risk, as well as to the Port of Seattle being the first port district to establish regulations in this regard. Commissioner Cho noted the value in getting ahead of the technology and implementing protection for civil liberties and protecting personal information.

Members of the Commission noted their support of the Order and spoke regarding:

- conducting the first annual audit of the air exit system;
- engagement with community partners on a continuing basis and having a consensus on the values that guide the policies, even if consensus in the final recommendations was not achieved;
- the definition of mass surveillance; and
- the opt-in participation process.

**The motion, made by Commissioner Cho, carried by the following vote: In favor: Bowman, Calkins, Cho, Felleman, Steinbrueck (5)  
Opposed: (0)**

**10b. Authorization for the Executive Director to Acquire Indigenous Art of the Pacific Northwest Region for Display in the International Arrivals Facility (IAF) at the Seattle-Tacoma International Airport, in the Amount of \$475,000.**

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

Presenter(s):

Tommy Gregory, Public Art Program Senior Manager and Curator, Aviation  
Tonisha Simmons, Senior Administrative Assistant, AV Facilities & Infrastructure

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

Executive Director Metruck introduced the item and presenters.

The presentation addressed:

- the art program's vision;
- the request for authorization before the Commission;

- the purpose of the request – to create a visual representation of a land acknowledgement to welcome international travelers to the region, supporting local and regional artists, and meeting the 2019 strategic plan goal to build a portable permanent collection; and
- potential locations.

Commissioner Steinbrueck spoke to the need and purpose for including art as facilities are rebuilt. He advocated for culturally-relevant indigenous art at the International Arrivals Facility (IAF), noting the support of the Portwide Arts and Culture Board.

Members of the Commission noted their support of the Order and spoke regarding:

- Port interns bringing the idea forward of the first people's art sited at SEA;
- Showing the region's history; and
- Utilizing art funding to its fullest potential.

**The motion, made by Commissioner Steinbrueck, carried by the following vote: In favor: Bowman, Calkins, Cho, Felleman, Steinbrueck (5)  
Opposed: (0)**

**10c. Order No. 2021-07: Supporting the Executive Director's Authority to Negotiate and Execute a Lease Agreement for the Property Known as Tsubota with the City of Seattle.**

Request document(s) included a proposed order and map.

Presenter(s):

David Yeaworth, Commission Specialist, Commission Office

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

Executive Director Metruck introduced the item and presenters.

The presentation addressed the leasing of a portion of Port property to the City of Seattle since November 2017 at the Port's Tsubota site, located at 1601 15th Avenue West, for the purposes of housing approximately 60 people in 43 units annually in a tiny house village on slightly more than 17,994 sf of land. The City and Port are considering a new lease to increase the size of the leased lot for the purposes of adding up to 29 new units and a comfort station on a total of approximately 35,000 sf of land. The parties are also considering a three-year term with a subsequent one-year option. The negotiation and execution of this lease is within the authority of the Executive Director under the Port's Delegation of Authority.

Order No. 2021-07:

The Port Commission hereby supports the Executive Director's negotiation and execution of a lease with the City of Seattle, for the property known as the Tsubota site at 1601 15th Avenue West, on terms the Executive Director deems appropriate.

Members of the Commission noted their support of the Order and spoke regarding:



- the dire need for transitional housing;
- poverty being the most common element to all homelessness;
- maintaining a manageable size tiny home village;
- receiving an annual report for operational and safety status of the village; and
- providing stability with a three-year term.

**The motion, made by Commissioner Bowman, carried by the following vote: In favor: Bowman, Calkins, Cho, Felleman, Steinbrueck (5)**

**Opposed: (0)**

## **11. PRESENTATIONS AND STAFF REPORTS**

### **11a. Executive Director Performance Review**

No presentation document(s) included.

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

Commission President Felleman opened the discussion noting that the Commission previously met in Executive Session to discuss the performance of the Port's Executive Director, Steve Metruck.

Commissioner Steinbrueck led the public review of the Executive Director, noting:

- he has received a 'remarkable' performance rating;
- the Executive has declined a pay increase for a second year in a row in concert with the portwide merit increase freeze; and
- the Executive has alternatively been offered ten days off as compensation and is encouraged to take it.

Members of the Commission spoke regarding leadership shown during the pandemic, implementation of the values the Commission have put forward; the integrity in which the Executive Director serves the Port and the community; and his ability to create a sense of team in a very short period of time.

### **11b. Maritime Blue Annual Report**

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

Presenter(s):

Dave McFadden, Managing Director, Economic Development Division  
Joshua Berger, President/CEO, Maritime Blue  
Josh Carter, Program Director, Blue Ventures / Innovation Accelerator, Maritime Blue  
Veasna Hoy, Program Director, Youth Maritime Collaborative, Maritime Blue

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

Executive Director Metruck introduced the item and presenters.

The presentation addressed:

- building a blue economy;
- the mission of Washington Maritime Blue;
- Washington State's strategy for the blue economy;
- Industry members;
- Maritime blue innovation programs;
- Inaugural cohort wins, deals, and statistics;
  - 115 startups applied – 11 chosen
  - \$73M in private capital investments
  - \$12M in business sales
  - several demonstration projects and customer acquisitions
  - combined reports of over 500 percent increase in revenue
  - at least 50 jobs created
- second wave notable events and statistics;
  - 100+ startups applied
  - Silverback Marine landed large contract with the Port of Lopez with first wave company, Pure Watercraft
  - Allosense secured non-dilutive funding
  - MM-Seas launched their platform during the program
  - Puget Buoy won Alaska Airlines Innovation Challenge
  - pending results of current funding rounds
- program mentors;
- next steps in the program;
  - third wave of the Maritime Blue Innovation Accelerator Q1 of 2022
  - rolling admission into Maritime Blue Innovation Incubator in partnership with the Port of Tacoma
  - launch of Bellingham, WA Clean Tech/Blue Tech program
  - building Collaborative Programming with Alaska and Oregon in 2021/2022
- Youth Maritime Collaborative;
- strategic vision and Youth Maritime Collaborative partners;
- internships;
- expanded cohort model;
  - increase opportunities for youth to experience on-the-water programming and maritime/ocean learning activities, education and training with YMC program partners
  - expand partnerships with community-based organizations
  - provide wrap-around support for both youth and employers
- funding model structure;
- joint innovation projects;
- being part of a global enterprise for the blue economy;
- organizational development and leadership;
- 2019 – 2020 sponsors and
- funding facts and figures.

Members of the Commission and presenters spoke regarding:

- being proud of the role the Port has played in Maritime Blue;

- establishing a sustainable center of excellence for innovation and areas of expertise;
- creating a Port of the future with Maritime Blue and paired with the Youth Maritime Collaborative;
- creating equity and career pathways;
- addressing global issues of sustainability and the environment;
- Maritime Blue's sublease of space at Fisherman's Terminal to other members,
- getting engagement from maritime employers with respect to the internship program; and
- providing partners with more public exposure to highlight their efforts.

**11c. Ocean Acidification Action Plan and Case Study Briefing**

*(Commissioner Bowman exited the meeting at 3:15 p.m.)*

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

Presenter(s):

Kathleen Hurley, Senior Environmental Program Manager, Maritime Environment and Sustainability

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

Executive Director Metruck introduced the item and presenters.

The presentation provided an overview of the Ocean Acidification Action Plan and case study; key elements in the action plan; a summary of portwide efforts; recommendations; and next steps.

Discussion ensued regarding:

- goals of the plan and associated port initiatives;
- existing Port programs that support ocean acidification action plan goals; and
- voluntary recommendations;
  - expand public awareness of ocean acidification and Port actions
  - integration of ocean acidification into relevant community engagement efforts
  - continue implementation of existing efforts to combat ocean acidification
  - continue exploring opportunities for additional studies on carbon sequestration and associated ocean acidification benefits
  - initiate an Elliott Bay kelp restoration limiting factors analysis
  - incorporate ocean acidification metrics into future habitat restoration monitoring plan
- the goal of being the greenest Port in the country;
- reporting out regarding the status of the plan;
- expanding public awareness, and the possible partnering with the Seattle Aquarium Ocean Pavilion;
- involvement of the tribal internship program; and
- the seeding and planting of eel grass, kelp, and oysters.

**12. QUESTIONS on REFERRAL to COMMITTEE and CLOSING COMMENTS**

No closing comments were noted and no referrals to committees were made.

**13. ADJOURNMENT**

There was no further business and the meeting adjourned at 3:47 p.m.

Prepared:

Attest:

\_\_\_\_\_  
Michelle M. Hart, Commission Clerk

\_\_\_\_\_  
Sam H. Cho, Commission Secretary

Minutes approved: July 27, 2021

DRAFT

**RETURN TO AGENDA**



**COMMISSION  
AGENDA MEMORANDUM**

**Item No.** 8b

**ACTION ITEM**

**Date of Meeting** July 27, 2021

**DATE:** July 16, 2021

**TO:** Stephen P. Metruck, Executive Director

**FROM:** Eileen Francisco, Acting Director, AV Facilities & Capital Programs  
Wayne Grotheer, Director, Aviation Project Management

**SUBJECT: Departures Drive Drainage (C801036)**

**Amount of this request:** \$500,000  
**Total estimated project cost:** \$1,880,000

**ACTION REQUESTED**

Request Commission authorization for the Executive Director to complete design on the Departures Drive Drainage project at Seattle-Tacoma International Airport (SEA). This authorization is for \$500,000 for a total estimated project cost of \$1,880,000.

**EXECUTIVE SUMMARY**

This project rehabilitates a portion of the departures drive storm drainage system and existing bridge expansion joints. The storm drainage system has failed along the south end of the departures drive. An existing catch basin and associated drainage pipe is plugged and has been paved over. Stormwater currently ponds at this location, leaks through the structure and discharges onto rental car customers waiting on the arrivals curbside below. The project will replace the existing storm drainage facilities and expansion joints, and complete minor paving.

**JUSTIFICATION**

This project will support the Century Agenda goal to advance this region as a leading tourism destination and business gateway by meeting the region’s air transportation needs through improving vital facilities and infrastructure in a sustainable and cost-effective manner. This project will improve customer service for rental car customers and reduce ongoing maintenance due to stormwater leaking from the departures drive onto the arrivals curbside.

***Diversity in Contracting***

Design will be completed utilizing an existing Indefinite Delivery Indefinite Quantity (IDIQ) contract that has a commitment for 10% WMBE participation. It is anticipated that Port Construction Services (PCS) will complete all construction and will work with the Diversity in Contracting department to identify potential contract opportunities during this phase.

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**DETAILS**

The project is located at the south end of the departures drive. However, construction will impact both the arrivals and departures drives.

The new storm drainage facilities are planned to connect into the existing facilities along the arrivals drive. However, there is risk that existing power and communication infrastructure may prohibit that connection or require modification at significant additional cost in order to connect into that system. Utility potholing during design will determine the extent and impact of these constraints.

***Scope of Work***

This project will correct a failure of the existing storm drainage facilities at the south end of the departures drive.

- (1) Remove and replace an existing catch basin on the departures drive.
- (2) Install new storm drainage piping under the departures drive, down an existing column and across the arrivals drive to an existing catch basin.
- (3) Replace three existing expansion joints on departures drive.
- (4) Repave the existing departures drive shoulder and reseal the structure joint to direct stormwater flow into the new catch basin.

***Schedule***

Design start	2021 Quarter 4
Commission construction authorization	2022 Quarter 3
Construction start	2023 Quarter 1
In-use date	2023 Quarter 2

***Cost Breakdown***

	This Request	Total Project
Design	\$500,000	\$500,000
Construction	\$0	\$1,380,000
<b>Total</b>	<b>\$500,000</b>	<b>\$1,880,000</b>

**ALTERNATIVES AND IMPLICATIONS CONSIDERED**

**Alternative 1** - Do not complete improvements.

Cost Implications: \$0

Pros:

- (1) Least costly alternative.

Cons:

- (1) Rental car customers will continue to experience poor customer service.
- (2) Water intrusion will continue to deteriorate the departure drive structure.

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This is not the recommended alternative.

**Alternative 2** – Remove and replace all concrete traffic barriers (spandrels) and reconstruct the existing stormwater drainage system to replicate the existing system that is integral to the structure. This option includes replacing three local expansion joints.

Cost Implications: \$7,710,000

Pros:

- (1) Provides long-term repair of inoperable stormwater drainage system.
- (2) Improves customer safety and satisfaction.

Cons:

- (1) Most costly alternative.
- (2) New stormwater drainage system will continue to be integral to the drive structure which is difficult to access and maintain.
- (3) Construction will result in significant impacts to both departures and arrivals curbsides.

This is not the recommended alternative.

**Alternative 3** – Install new storm drainage infrastructure that is external to the departures drive, replace existing expansion joints, and repave the departures drive shoulder and reseal the structure joint.

Cost Implications: \$1,880,000

Pros:

- (1) Provides long-term repair of inoperable stormwater drainage system.
- (2) Improves rental car customer safety and satisfaction.

Cons:

- (1) The existing stormwater drainage system is integrated into the departures drive bridge deck. However, the new stormwater drainage system will be external and attached underneath the bridge deck.
- (2) Connection point is also an unknown project risk to be evaluated during design.

***This is the recommended alternative.***

**FINANCIAL IMPLICATIONS**

***Cost Estimate/Authorization Summary***

Capital

Total

<b>COST ESTIMATE</b>		
Original estimate	\$600,000	\$600,000
Current change	\$1,280,000	\$1,280,000
Revised Total	\$1,880,000	\$1,880,000*

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<b>AUTHORIZATION</b>		
Previous authorizations	\$50,000	\$50,000
Current request for authorization	\$500,000	\$500,000
Total authorizations, including this request	\$550,000	\$550,000
Remaining amount to be authorized	\$1,330,000	\$1,330,000

\*Project alternatives were analyzed during status I, however the estimates from those alternatives inadvertently were mixed up. The effect was the correct alternative, but the wrong budget was approved. This revision reflects the budget for the approved alternative.

***Annual Budget Status and Source of Funds***

This project, CIP C801036, was included in the 2021-2025 capital budget and plan of finance with a budget of \$600,000. A budget of \$1,280,000 was transferred from the Aeronautical Reserve CIP (C800753) resulting in zero net change to the Aviation capital budget. The funding source will be 2021 revenue bond and the Airport Development Fund (ADF).

***Financial Analysis and Summary***

Project cost for analysis	\$1,880,000
Business Unit (BU)	Roadways
Effect on business performance (NOI after depreciation)	NOI after depreciation will increase due to inclusion of capital (and operating) costs in airline rate base
IRR/NPV (if relevant)	N/A
CPE Impact	less than \$.01 in 2024

***Future Revenues and Expenses (Total cost of ownership)***

This project will not have a significant impact on Aviation Maintenance annual operating and maintenance (O&M) costs. The storm drain will replace an existing system that is no longer functioning.

**ATTACHMENTS TO THIS REQUEST**

- (1) Presentation slides

**PREVIOUS COMMISSION ACTIONS OR BRIEFINGS**

None



Item No.	8b_supp
Date of Meeting	July 27, 2021

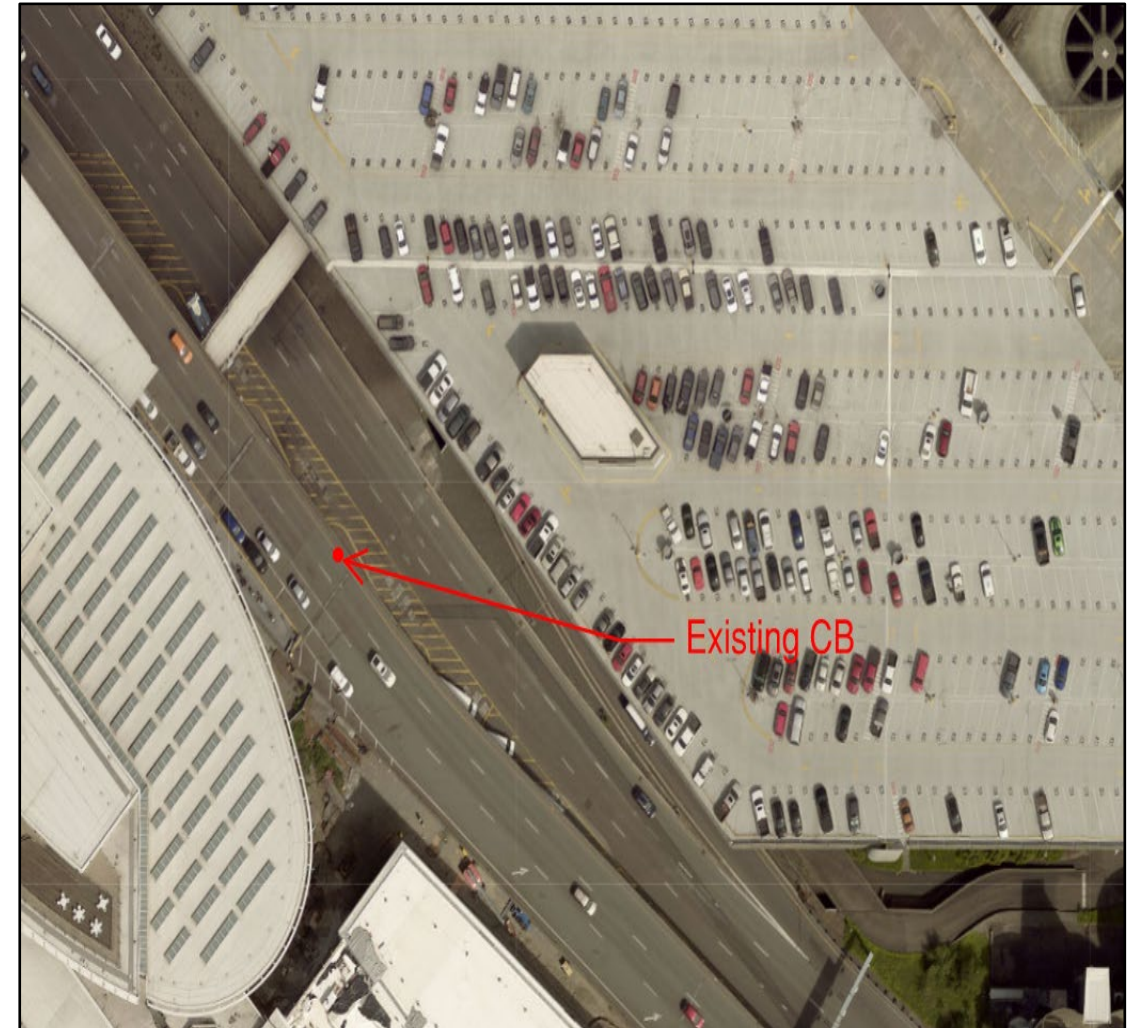
# Departures Drive Drainage

Design Authorization

# Project Scope

## Scope Items:

- Remove and replace existing catch basin
- Install new external storm drainage piping connecting to arrivals drive drainage system
- Replace existing expansion joints
- Repave and reseal departures drive



# Existing Conditions



Leak Mitigation Gutter



Ponding Water

# Project Budget and Schedule

## Budget:

- Original Budget: \$600,000
- Revised Budget: \$1,880,000\*

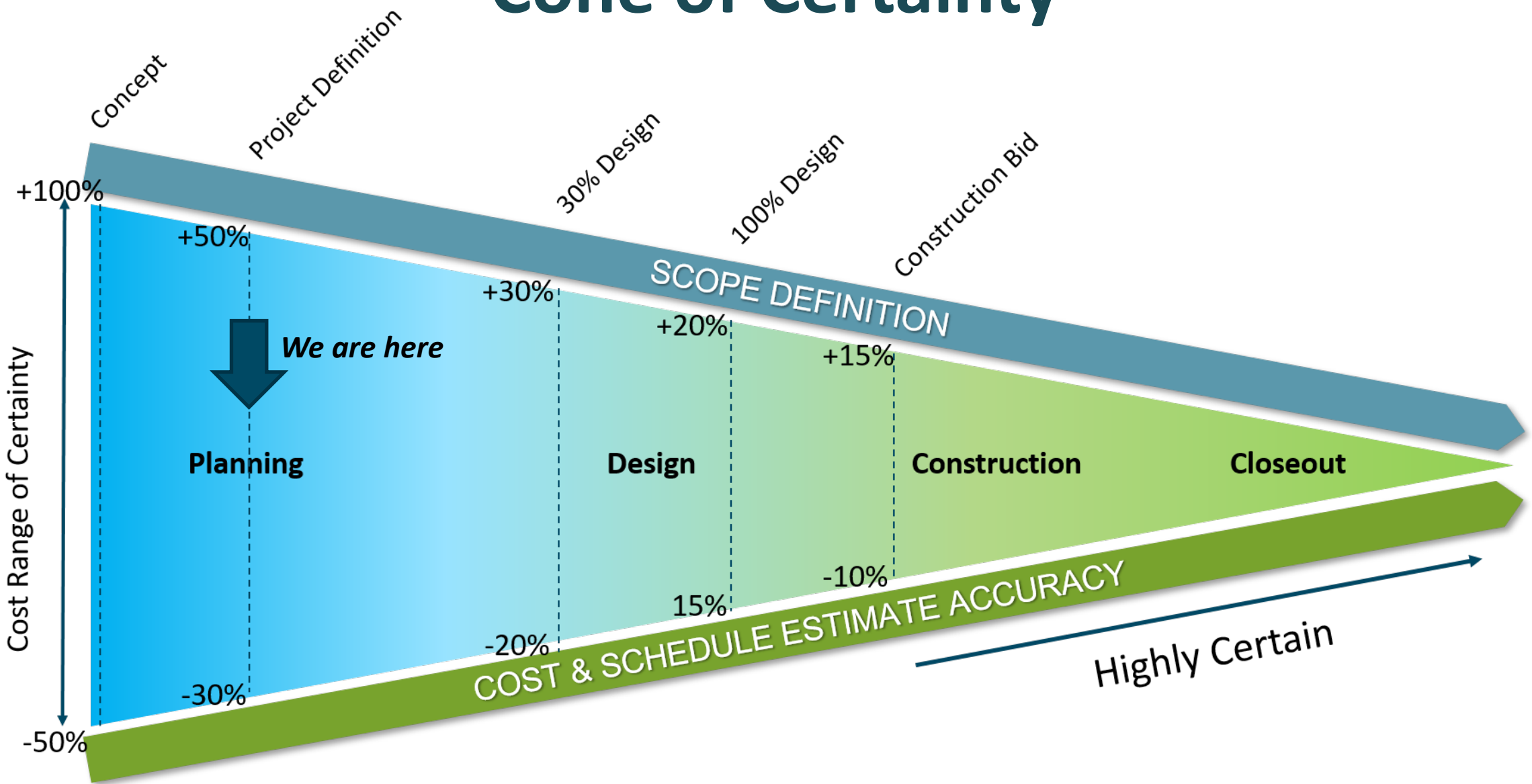
## Key Schedule Milestones:

- Design Complete: Q3 2022
- Construction Start: Q1 2023
- In-Use Date: Q2 2023

\*Project alternatives were analyzed during status I, however the estimates from those alternatives were inadvertently mixed up. The effect was the correct alternative but the wrong budget was approved. This revision reflects the budget for the approved alternative.



# Cone of Certainty



# Project Risks

RISK	DESCRIPTION	PROBLEM	IMPACT	MITIGATION PLAN
Arrivals drive connection point may not be feasible	Existing power and communication infrastructure may prohibit gravity line connection	M	H	Pothole during design to determine feasibility; scope change would require additional budget
Existing system capacity is limited	Verify added storm drain connection will not put the receiving system past capacity	M	H	Determine storm water flows during design

[RETURN TO AGENDA](#)



**COMMISSION  
AGENDA MEMORANDUM**

**Item No.** 8c

**ACTION ITEM**

**Date of Meeting** July 27, 2021

**DATE:** July 19, 2021

**TO:** Stephen P. Metruck, Executive Director

**FROM:** Eileen Francisco, Acting Director, Aviation Facilities and Capital Programs  
Wayne Grotheer, Director Aviation Project Management

**SUBJECT: Communication Enhancement – Design Authorization C801161**

**Amount of this request:** \$3,000,000

**Total estimated project cost:** \$11,000,000

**ACTION REQUESTED**

Request Commission authorization for the Executive Director to (1) prepare design and construction bid documents for the Communication Enhancement Project, and (2) utilize Port of Seattle crews and small works contracts for pre-construction work. This request is for \$3,000,000 to increase the total authorized amount to \$3,200,000 with an estimated total project cost of \$11,000,000.

**EXECUTIVE SUMMARY**

The Communication Enhancement (CE) project will install new fiber connections between the Main Distribution Rooms (MDR) and the communications Equipment Rooms (ER). The fiber will be installed using the existing Communications Infrastructure Backbone System that had established the ER in the early 2000’s. The ER connections were reviewed, and the rooms identified as critical (100% full) and high priority (≥ 85% full) were selected for the new connections.

**JUSTIFICATION**

The Airport is continuing to grow and upgrade the capabilities and services that are offered to travelers, tenants, and employees. As projects are completed, there is a need for faster and more data connections to support the expansion. The fiber connections that will be added by this project will support the growing need and allow for smooth transitions as the Port continues to optimize its layout and connection plans. Some of the systems that these connections will support are WIFI access points, people counter sensors for check points, airline check in and gate operations, security cameras, and ADR business transactions.

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The last major telecommunication infrastructure upgrade was completed in the early 2000’s with the installation of the Communication Infrastructure Backbone System (CIBS), which established the MDR and outlying communication ERs. The CIBS project also installed trays specifically for communications cabling between the rooms. Since the completion of CIBS, the installed cabling has been near fully allocated to port processes and tenant needs.

This project will install new fiber optic cabling within the existing CIBS cable trays to establish new connections for use. During the design process, the team, with the assistance of Port Construction Crews, will access the trays and inspect the current fill and determine if new trays or conduits will be needed. The project will also install the equipment needed to terminate and test the fiber connections for immediate use. These rooms were also identified to support planned future projects to provide the data connections needed.

***Diversity in Contracting***

The design work will be completed using an existing IDIQ contract that was established in 2017 which has 100% Small Business Enterprise utilization. This contract was established prior to the Diversity in Contracting Policy Directive in 2018 in setting WMBE aspirational goals.

**DETAILS**

***Scope of Work***

Communications Enhancement:

- (1) Design services will evaluate the Port identified Comm ER needing additional connections.
- (2) Design services will provide communication and electrical drawings required for installing new connections between MDR and selected ER.
- (3) Construction services will install cabling innerducts and fiber cables within the existing CIBS infrastructure.
- (4) Construction services will install the fiber optic patch panels (FOPP) to accommodate the new fiber strands. Each strand will be terminated and tested for connectivity.

***Schedule***

Design start	2021 Quarter 3
Commission construction authorization	2023 Quarter 2
Construction start	2023 Quarter 4
In-use date	2025 Quarter 3



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<b>Cost Breakdown</b>	This Request	Total Project
Design	\$3,000,000	\$3,417,500
Construction	\$0	\$7,582,500
Total	\$3,000,000	\$11,000,000

**ALTERNATIVES AND IMPLICATIONS CONSIDERED**

**Alternative 1** – Cancel or defer the project

Cost Implications: approximately \$150,000 would need to be expensed

Pros:

- (1) No capital investment currently

Cons:

- (1) Deferred projects are subject to escalation costs
- (2) Risk of failing infrastructure and data capacity limitations
- (3) Other projects may require additional time to complete because they will need to install additional connections
- (4) Complicated connection pathways would be required to meet project needs and may slow progress to establish those paths

This is not the recommended alternative.

**Alternative 2** – Critical rooms

Cost Implications: \$7,000,000

Pros:

- (1) Lower capital investment
- (2) Project will provide connections to 23 rooms identified as critical (100% full)
- (3) Addresses most critical comm rooms

Cons:

- (1) Other projects may require additional time and cost to complete because they will need additional connections
- (2) A future project will be needed to address the 12 high priority rooms (≥ 85% full)
- (3) A combined project that addresses all the proposed comms room can optimize the fiber pulls to use the minimum space required to complete the project

This is not the recommended alternative.

**Alternative 3** – Status 2 Scope

Cost Implications: \$11,000,000

Pros:

- (1) Addresses the critical and high priority Comm ER rooms

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- (2) Maximizes the use of the CIBS tray space by pulling multiple bundles in each pull
- (3) This work provides available connections for both current and future projects

**Cons:**

- (1) Highest capital investment.

***This is the recommended alternative.***

**FINANCIAL IMPLICATIONS**

<b><i>Cost Estimate/Authorization Summary</i></b>	<b>Capital</b>	<b>Expense</b>	<b>Total</b>
<b>COST ESTIMATE</b>			
Original estimate	\$11,000,000	\$0	\$11,000,000
<b>AUTHORIZATION</b>			
Previous authorizations	\$200,000	\$0	\$200,000
Current request for authorization	\$3,000,000	\$0	\$3,000,000
Total authorizations, including this request	\$3,200,000	\$0	\$3,200,000
Remaining amount to be authorized	\$7,800,000	\$0	\$7,800,000

***Annual Budget Status and Source of Funds***

This project, CIP C8011161, was included in the 2021-2025 capital budget and plan of finance with a budget of \$11,000,000. The funding source will be Airport Development Fund (ADF) and 2021 revenue bond.

***Financial Analysis and Summary***

Project cost for analysis	\$11,000,000
Business Unit (BU)	Terminal Building
Effect on business performance (NOI after depreciation)	NOI after depreciation will increase due to inclusion of capital (and operating) costs in airline rate base
IRR/NPV (if relevant)	N/A
CPE Impact	\$.03 in 2026

**ATTACHMENTS TO THIS REQUEST**

- (1) Presentation slides

**PREVIOUS COMMISSION ACTIONS OR BRIEFINGS**

None

# Communication Enhancement

Tyler Salisbury – AV-PMG

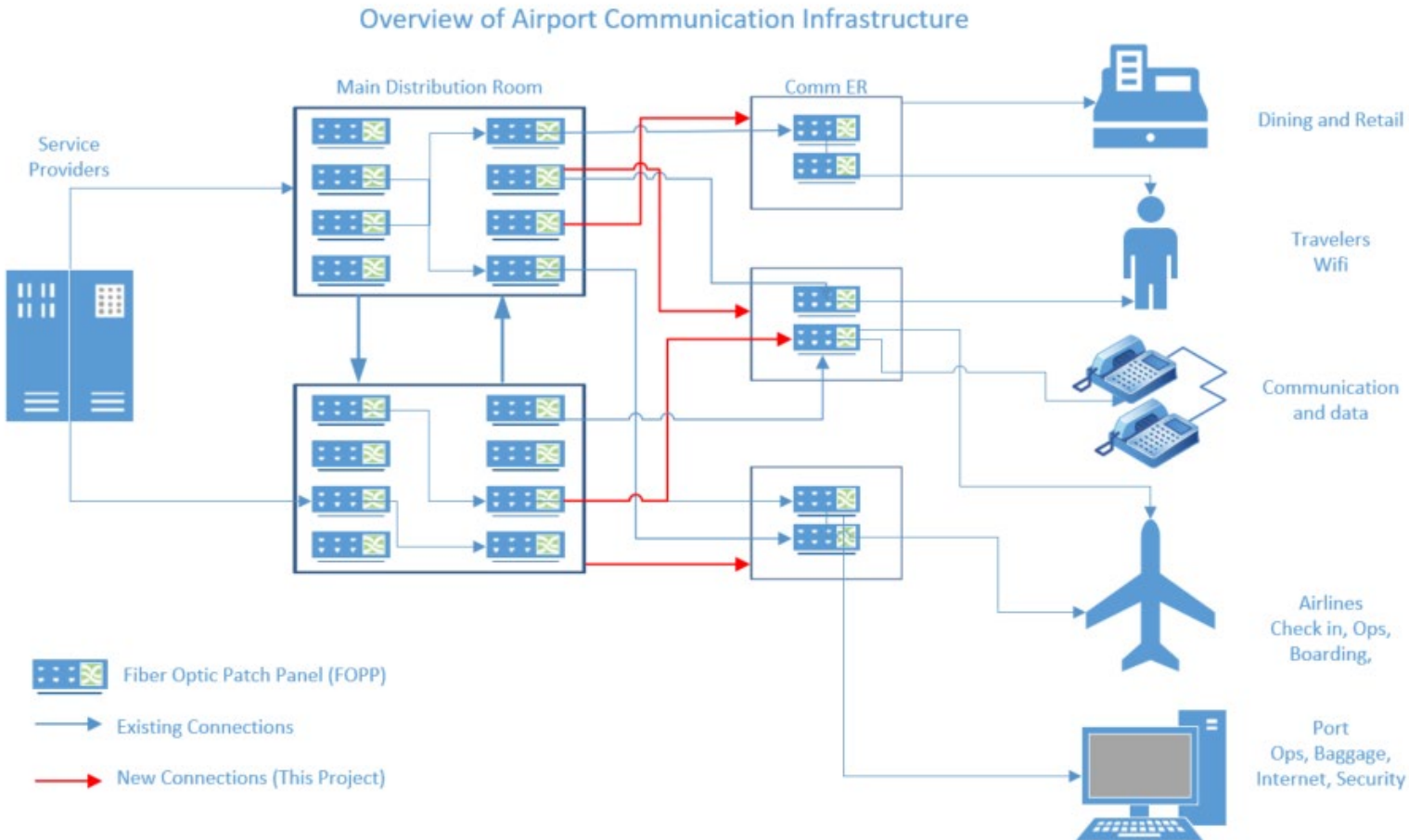
C801161

July 27, 2021

# Project Overview

- The Airport is expanding to support the returning travelers and prepare for the continued growth.
- New systems and services are being offered to improve the experience of the travelers, tenants, and port employees. Many of these systems require high speed and capacity data connections.
  - WIFI access points, People counter sensors for check points, airline check in and gate operations, security cameras, ADR business transactions.
- This project will add new connections to the airport to support the continued growth and improve the customer experience.

# Background



In early 2000's, the port established the Communication Infrastructure Backbone System (CIBS). This created the Main Distribution Rooms (MDR) and the outlying communications equipment rooms (ER). Dedicated cable trays were also installed between the MDR's and the ER that contain the Airport current fiber connections.

This system established a data network that connects service providers to users throughout the airport.

# Project Scope

- Add connections to 35 comm rooms that are:
  - 23 Out of connections (100% full)
  - 12 Nearly full (85% or greater)
- Use existing cable tray for new fiber connection
- New fiber runs between the MDRs to equipment rooms located in:
  - Main Terminal
  - South Satellite
  - Administration building (AOB)
  - Concourse B

# Budget and Authorizations

Budget	Project Budget
Design	\$3,200,000
Construction	\$7,800,000
Total	\$11,000,000

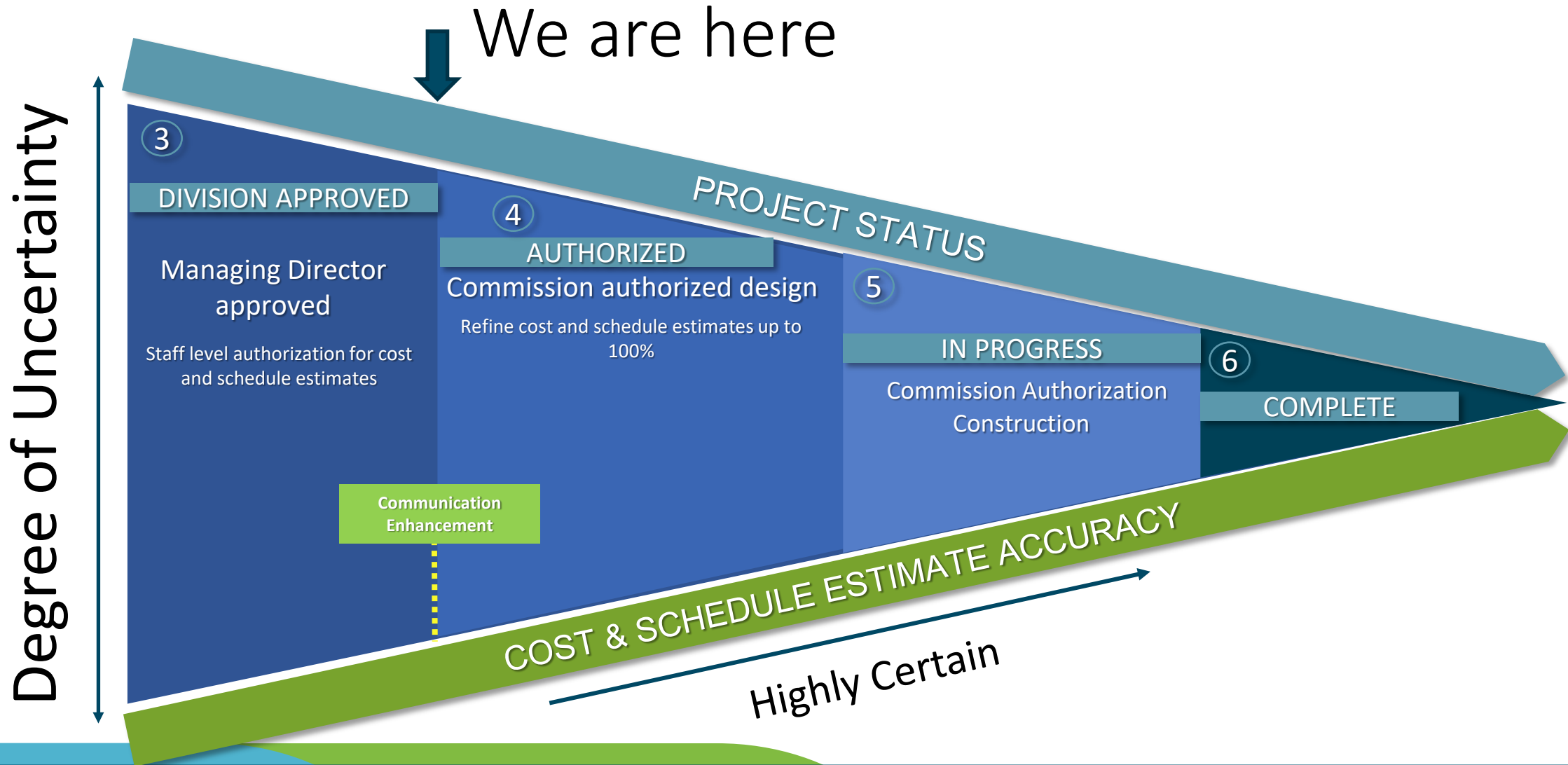
Authorizations	Project Budget
Previous authorization	\$200,000
This request	\$3,000,000
Total authorized amount (Including this request)	\$3,200,000
Remaining to be authorized	\$7,800,000

# Schedule

- Commission Authorization for Design: 3Q 2021
- Design Start: 3Q 2021
- Commission Authorization for Construction: 2Q 2023
- Issue Notice to Proceed: 4Q 2023
- Construction Complete: 3Q 2025



# Cost and Schedule Project Estimating Certainty



# Risks and Operational Impacts

RISK	DESCRIPITON	PROBABILITY	IMPACT	MITIGATION PLAN
CIBS Tray Space	Other projects have added fiber as needed and the spare tray space needs to be evaluated.	Medium	Medium	During the design phase additional time is being allocated to conduct field surveys of the existing tray space to verify fill percentages.
CIBS tray access	Most of the trays are run in the ceiling space of the bag well and can be difficult to access. Challenges: Tug operation, floor to ceiling access, working hours, social distancing requirements, and changing pathways.	High	Medium	The project team will identify the location where fiber installed from, evaluate the impact to operations, and provide access plan recommendations that can be shared with the construction team and operations.
Multiple project coordination	Project team will need to work closely with other projects and evaluate changing environments. Baggage optimization, Main Terminal projects, and Tenant projects	Medium	Medium	Critical reviewers are being identified from other surrounding projects to reduce the impact of the projects overlap.

# Opportunities

- Multiple Fiber Pulls
  - Pull fiber strands in bundled cables (24-144 fibers per cable). Evaluate pathways to maximize innerduct pathways.
  - Optimizing connections by room for known future needs.

# Questions?

[RETURN TO AGENDA](#)



**COMMISSION  
AGENDA MEMORANDUM**

**Item No.** 8d

**ACTION ITEM**

**Date of Meeting** July 27, 2021

**DATE :** July 12, 2021

**TO:** Stephen P. Metruck, Executive Director

**FROM:** Jinah Kim, Senior Manager, Aviation Maintenance  
Matt Breed, Chief Information Officer, Information and Communication Technology

**SUBJECT: Seattle-Tacoma International Airport Smart Restrooms (CIP #C801184)**

**Amount of this request:** \$2,630,000  
**Total estimated project cost:** \$1,300,000  
**Estimated 10-year contract fees:** \$1,380,000

**ACTION REQUESTED**

Request Commission authorization for the Executive Director to (1) proceed with the Smart Restrooms plan to procure software and vendor services to implement a comprehensive, airport specific custodial and analytics platform; (2) execute contract(s) for software, equipment, and vendor implementation services in a minimum of four Airport public-facing restrooms; (3) prepare design and construction bid documents for the related infrastructure work required in the same number of restrooms; (4) use Port staff for implementation, (5) advertise and execute small and major works contracts and utilize Port crews to perform the construction work; (6) authorize contracting authority for a contract for up to ten years for software license, service, and/or maintenance fees estimated at \$1,380,000. The amount requested for project implementation is \$1,300,000. Funding for the service contract will be incorporated into the Aviation Maintenance annual expense budget.

**EXECUTIVE SUMMARY**

This project will competitively procure, implement, and evaluate a technology platform that will serve as the airport standard for future customer-facing restroom remodels across Seattle-Tacoma International Airport (Airport) terminals and public spaces. Once in place, the system will be evaluated for suitability and gauged for customer acceptance with the intent that this technology standard will become available for broader implementation as the Airport’s public-facing restrooms are remodeled in coming years. The new platform will be used by Aviation to meet customers’ ever-increasing expectations for consistent restroom cleanliness, availability, and readiness. The Aviation Custodial Service team will rely on accurate and timely data produced

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by the system to anticipate and proactively manage restroom demand while minimizing the cost and environmental waste associated with premature replacement of restroom supplies.

In recent years, small scale efforts to test partial technology solutions in the Airport's public-facing restrooms has given Custodial Services confidence that restroom users are looking for increased visibility to latest cleaning times, clearly identified nearby restroom alternatives, reduced likelihood of encountering empty dispensers, and a simpler way to identify an open stall in busy restrooms.

Information and Communication Technology and Aviation Maintenance will complete this project with a vendor selected through a request for proposal (RFP) process. The capital project is included in the 2021-2025 capital budget and plan of finance for \$1,300,000. Recurring costs estimated at \$138,000 per year for up to ten years (\$1,380,000 total) will be budgeted in the Aviation operating budget beginning in 2022. Authorization for expansion of the technology standard will be included with future restroom renovation project requests.

### **JUSTIFICATION**

The Airport's restroom quality has been clearly identified as a leading customer satisfaction indicator when passengers rate their airport experience, making significant improvements required in order for the Airport to achieve its 5-Star Skytrax rating goals.

To improve service to a 5-Star level while remaining cost and labor-efficient, Aviation Maintenance has expressed strong support for a Smart Restrooms technology solution that can be rolled out across the Airport's public-facing restrooms. Key components of such a system include:

- (1) Sensors to monitor product usage (paper towels, soap, etc.)
- (2) Visual indicators for easy identification of open stalls
- (3) Automated and unobtrusive people-counting/occupancy monitoring
- (4) Digital signage to clearly inform customers of the most recent cleaning time while appropriately redirecting customers to nearby, available restrooms when the location is at a high level of use or is currently out of service.

### ***Diversity in Contracting***

Project staff will work with the Diversity in Contracting Department to determine if a direct women-and-minority-owned business enterprise (WMBE) aspirational goal should be assigned. Typically, subcontracting opportunities under technology projects are limited.

### **DETAILS**

#### ***Scope of Work***

- (1) Competitively procure and implement a new Smart Restrooms technology platform.

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- (2) Implement the required infrastructure improvements needed, in a limited number of restrooms, to allow for successful installation and evaluation of the new technology platform.
- (3) Evaluate results for suitability and manageability with Aviation Custodial Services. Evaluate customer response for overall satisfaction levels.

**Schedule**

Commission authorization	2021 Quarter 3
Procurement complete	2022 Quarter 1
In-use date	2023 Quarter 2

**Cost Breakdown**

	This Request	Total Project
Software, Hardware and Vendor Services	\$120,000	\$120,000
Construction	\$710,000	\$760,000
Port Labor	\$420,000	\$420,000
Total	\$1,250,000	\$1,300,000

**ALTERNATIVES AND IMPLICATIONS CONSIDERED**

**Alternative 1** – Purchase a Smart Restrooms technology platform and install in 4-6 Airport customer-facing restrooms. Leverage this new technology standard in future restrooms remodels at the Airport.

Cost Implications: \$1,300,000 Capital/\$138,000 Annual support costs.

Pros:

- (1) Meets Airport Custodial Services and AV Customer Service teams’ business requirements for a best practice technology toolkit for restrooms.
- (2) Proactively directs customers to available stalls and alternative restrooms, better spreading peak demand across the Airport.
- (3) Improves the Airport customer experience in pursuit of an elevated Skytrax rating.
- (4) Improves efficiency and effectiveness of Custodial staff who routinely leverage the system’s data to better tailor custodial services to each restroom’s needs.

Cons:

- (1) Capital funds are not available to other projects.
- (2) Adds approximately \$138,000 in annual support costs to the Aviation budget.
- (3) Requires infrastructure investment and construction resources at each restroom to support a Smart Restroom’s additional electrical and data connectivity needs (wi-fi & blue tooth).

***This is the recommended alternative.***

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**Alternative 2** – Delay or eliminate plans for a Smart Restrooms procurement.

Cost Implications: \$0

Pros:

- (1) Capital funds are available for other projects.
- (2) No maintenance/support cost increase to the Aviation annual operating budget.

Cons:

- (1) Aviation Custodial Services staff will continue to rely on their current processes, leading to continued product waste and a suboptimal schedule-based approach to timing restroom service.
- (2) Delays/eliminates opportunities for elevating the customer experience in the Airport’s customer-facing restrooms.

This is not the recommended alternative.

**FINANCIAL IMPLICATIONS**

<i>Cost Estimate/Authorization Summary</i>	Capital	Expense	Total
<b>COST ESTIMATE</b>			
Original estimate	\$1,300,000	\$0	\$1,300,000
<b>AUTHORIZATION</b>			
Previous authorizations	\$50,000	0	\$50,000
Current request for authorization	\$1,250,000	\$0	\$1,250,000
Total authorizations, including this request	\$1,300,000	\$0	\$1,300,000
Remaining amount to be authorized	\$0	\$0	\$0

***Annual Budget Status and Source of Funds***

This project was included in the 2021-2025 capital budget and plan of finance estimated at \$1,300,000. The project will be funded with the Airport Development Fund.

***Financial Analysis and Summary***

Project cost for analysis	\$1,300,000
Business Unit (BU)	Terminal Building
Effect on business performance (NOI after depreciation)	NOI after depreciation will increase due to inclusion of capital (and operating) costs in airline rate base.
IRR/NPV (if relevant)	NA
CPE Impact	\$.01 in 2023

***Future Revenues and Expenses (Total cost of ownership)***

Annual recurring service, license, or maintenance fees, estimated at \$138,000 per year, will be budgeted in annual operating budgets beginning in 2022. The estimated total over a ten-year



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contract term is \$1,380,000. Authorization for this funding will be received through the annual Aviation Division expense budgeting process.

**ATTACHMENTS TO THIS REQUEST**

None

**PREVIOUS COMMISSION ACTIONS OR BRIEFINGS**

None

**RETURN TO AGENDA**



**COMMISSION  
AGENDA MEMORANDUM**

**Item No.** 10a

**ACTION ITEM**

**Date of Meeting** July 27, 2021

**DATE:** Friday July 9, 2021

**TO:** Stephen P. Metruck, Executive Director

**FROM:** Bookda Gheisar, Senior Director, Office of Equity, Diversity, and Inclusion  
Alison Beason, Senior Policy Data Analyst, Office of Equity, Diversity, and Inclusion

**SUBJECT: 2021 Program Authorization Request for the South King County Fund**

**Amount of this request:** \$2million

**ACTION REQUESTED**

Request Commission authorization for the Executive Director to execute contract agreements and implement the 2021 South King County Fund program in an amount not-to-exceed \$2 million.

**EXECUTIVE SUMMARY**

The South King County Fund (SKCF) program was created in November 2018 to provide \$10 million in resources to near-airport communities. The statutory authority in which the fund was rooted in (RCW 35.21.278) is the same one that dictates the parameters of the (sunsetting) Airport Community Ecology (ACE) program, which was newly minted as the SKCF Environmental Grants Program.

A successful first cycle of the SKCF was launched in the summer of 2020 awarding \$250,000 in support for Women and Minority Business Enterprise (WMBE) small business development;; \$981,881 for Economic Recovery Programs; and \$250,000 for Environmental programs. It resulted in awarding 29 contracts between all three programs.

For 2021 staff is requesting the Commission authorize funding not-to-exceed \$2 million to implement the SKCF program. This represents a \$500,000 increase from the first cycle. The second cycle will support \$250,000 for WMBE small business development, \$1.5 million for Economic Recovery Program, and \$250,000 for Environmental Grants.

According to the Statement of Support for Order No. 2019-10: Adopting principles to guide outreach and development of the South King County Fund policy:

“...the Commission intends to retain review and approval authority for proposed projects and to retain the authority to approve funding of projects recommended by Port staff, as well as projects recommended through community input.”

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For the first round of awards in 2020 the Commission met this intent when Commissioners received a briefing in advance of the final awards in public session and voted to approve the final set of projects. This authorization will continue to meet the spirit of Order No. 2019-10 through a passive approval process. The Office of Equity, Diversity, and Inclusion (OEDI) and External Relations staff will select the awardees for 2021 funding. Commissioners will receive an email 14 days before the final execution of contracts and can notify the team if the any Commissioner has questions or concerns about the awardees. After contracts are finalized and programs are in place, Commissioners will receive a lessons learned briefing and another request for 2022 funding, likely in July or August 2022.

**2020 YEAR IN REVIEW: RECOVERY EFFORTS**

In 2020, after conducting community engagement with several multicultural stakeholders in South King County, it was clear that economic development was a priority for these communities. Hearing this community feedback and in response to the COVID-19 pandemic and ensuing economic crisis, in April 2020, the Commission added “Economic Development” as an approved use of the fund.

South King County is one of the most diverse areas in King County, with over 95 languages spoken by families in the Highline school district alone. These communities, however, are vulnerable because of a myriad of existing structural and social inequities that disproportionately impact many populations across this area: people of color, women, immigrants, and people with low incomes. These community members have long dealt with issues that challenge their well-being, from poorer health outcomes to lack of access to educational attainment and, consequently, higher-paying jobs.

The global health and economic crisis that has risen from the spread of the coronavirus has hit vulnerable communities like these the hardest. The Commission’s decision to use the South King County Fund to also address economic recovery is timely and critical.

For the last year staff have been working in a collaborative and interdisciplinary team, led by External Relations and OEDI, which has included representatives from Legal, Central Procurement Office, Finance and Budget, Commission Staff, as well as outside consultants hired for their expertise in multicultural engagement and developing equity-based grant making processes.

In 2020, the fund awarded over a \$1 million within the following three programs:

- \$981,881 for the new Economic Recovery program with funds supporting non-profit organizations conducting projects in the following four categories:
  - Small Business Assistance
  - Workforce Development
  - Job Creation

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- Ideation, Network building, Development of New, Innovative Economic Recovery Strategies
- \$250,000 for a new Environmental Grants Program built from the ACE model which services Burien, Des Moines, Federal Way, Normandy Park, SeaTac and Tukwila.
- \$250,000 for Port Gen (program of Diversity in Contracting). The Port expanded existing contracts with organizations that support WMBE businesses in South King County as part of the overall Economic Recovery Strategy.

### **PROGRAM AUTHORIZATION**

There is much to celebrate after the first year of the SKCF. A new program was designed and launched in a matter of months to support economic recovery efforts in a region economically devastated by the Covid-19 pandemic. Port leadership, interdepartmental collaborations and committed, hard-working staff all contributed to getting this new program off the ground.

In April 2021, the staff presented to the Commission several recommendations and insights into the program. After multiple meetings with the inter-departmental team, it was recommended to get authorization from the Commission to execute the contracts prior to advertising all requests for proposals. Getting authorization will help to effectively fulfill the vision of being an equity-driven, community-centered program for the community.

This authorization removes some of the time delays and barriers that occurred during the first cycle of the SKCF. The co-managers will keep the Commission abreast on all contracts recommended for funding but present to the Commission an update on the proposals after awarded.

### **FINANCIAL IMPLICATIONS**

#### ***Annual Budget Status and Source of Funds***

The Port of Seattle South King County Fund program 2021 budget will be \$2 million to support the three departments, Economic Development, External Relations, and OEDI. The funding source is tax levy.

#### ***Future Revenues and Expenses (Total cost of ownership)***

The program is anticipated for five years for \$10 million in resources for near-airport communities. It will likely cost between \$1 million to \$2.5 million per year unless the Port of Seattle Commission changes or eliminates the program.

### **ATTACHMENTS TO THIS REQUEST**

- (1) Presentation slides

### **PREVIOUS COMMISSION ACTIONS OR BRIEFINGS**

April 28, 2020 | **Motion 2020-10**

Meeting Date: July 27, 2021

The Commission to add economic development to the permissible uses for the South King County Fund, in support of local recovery from the COVID-19 pandemic.

June 25, 2019 | **Motion 2019-10**

The Commission adopting principals to guide outreach and development of the South King County policy.

November 27, 2018 | **Motion 2018-14**

# South King County Fund

## Authorization

July 27, 2021

Commission Meeting

Alison Beason, OEDI

RAINIER  
FLIGHT SERVICE

# Request

## Authorization

Execute contract agreements and implement the 2021 South King County Fund Program

Amount: \$2.0 million

# South King County Fund

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- **Partnership Between:**
  - External Relations
  - Office of Equity, Diversity and Inclusion
  - South King County communities
- **To Create:**
  - Equity-based partnerships
  - Supporting historically underserved near-airport communities







**3  
Programs**

**27  
Proposals  
Awarded**

**\$1.4 M  
Amount  
Awarded**

# South King County Fund 2020

# South King County Fund 2021 Plan and Schedule

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## September

### Economic Development

Provides capacity building support for WMBE businesses to partner with the Port

### Environmental Grants

- Expansion of Airport Community Ecology Fund
- Public improvement projects including parks, greenspaces and art

## December

### Economic Recovery Program

- Four focus areas:
  - Small business assistance
  - Workforce training programs
  - Job creation
  - New and innovative economic recovery strategies

# Program Authorization Process

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**Economic  
Development**  
\$250k

**Economic  
Recovery**  
\$1.5 M

**Environmental**  
\$250K

## Process:

- Commission will
  - Receive an email 14 days before final execution
    - Can notify the team about concerns and/or questions
  - Receive a debrief and lessons learned on all projects after second cycle

# Thank You

# Questions?

Alison Beason, OEDI

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**COMMISSION  
AGENDA MEMORANDUM**

**Item No.** 10b

**ACTION ITEM**

**Date of Meeting** July 27, 2021

**DATE:** July 16, 2021

**TO:** Stephen P. Metruck, Executive Director

**FROM:** Eileen Francisco, Interim Director, Aviation Facilities and Capital Programs  
Wayne Grotheer, Director Aviation Project Management  
Stuart Mathews, Director Aviation Maintenance

**SUBJECT: Satellite Transit System (STS) Controls Renewal and Replacement Project Procurement and Construction Authorization (CIP#801043)**

**Amount of this request:** \$69,240,000

**Total estimated project cost:** \$78,240,000

**ACTION REQUESTED**

Request Commission authorization for the Executive Director to (1) execute a contract with Bombardier Transportation Holdings USA for goods and services; (2) advertise and award a major works construction contract; (3) advertise and award contracts for busing and wayfinding services, and (4) use Port crews and small works contracts, in support of the STS Controls Renewal and Upgrade project (CIP #801043) at the Seattle-Tacoma International Airport (Airport). The amount of this request is \$69,240,000 for a total project authorization of \$78,240,000.

**EXECUTIVE SUMMARY**

The Satellite Transit System (STS) transports passengers to and from the Airport’s North and South Satellites. This project is a renewal and replacement of the STS’s Automated Train Control (ATC) system. The current ATC system is 20 years old and is at the end of its useful life. This project installs STS network infrastructure, replaces end of life ATC systems equipment, and updates the ATC with the most current version of the manufacturer’s controls software while maintaining passenger service to the Satellites. This authorization allows for: (1) the purchase and installation of replacement controls equipment from the STS manufacturer Bombardier Transportation Holdings USA (BTH USA) an Alstom Group Company, (2) procurement of busing and wayfinding services, and (3) the selection and award of an enabling construction contract for new STS controls fiber and electrical infrastructure. The STS Controls Renewal and Replacement Project (CIP 801043) is included in the 2021-2025 capital budget and plan of finance. The project was approved on the 2020 #2 Majority-In-Interest (MII) ballot.

While this project will extend the useful life of the existing STS, it is expected that a new STS or an alternate means of travel to and from the North and South Satellites will be required no later

Meeting Date: July 27, 2021

than 2034. Outside of this project, Airport staff will begin a study in Q4 of 2021 to look at alternatives and make a recommendation for future passenger conveyance to the North and South Satellites.

### **JUSTIFICATION**

This project provides important benefits for continued operations, security, and safety. The STS is the primary conveyance method to move passengers efficiently between the Main Terminal and the thirty-five gates in the North and South Satellites. In 2019, the STS carried approximately 28 million passengers. The last major STS upgrade was completed in 2003 under CIP #100783. The current ATC subsystem was installed around 2001, and major components are now either obsolete or at the end of their useful life. The ATC system is an integrated set of computerized hardware, software and networks that safely operate the automatic movements of the train system. The STS will cease to operate without a functioning ATC. Key suppliers and repair facilities have indicated that remaining repair inventories are no longer being manufactured and will be gone within a few years. Action is required now to ensure the STS remains operational before more critical pieces of the ATC become obsolete or irreparable. A catastrophic failure or even a prolonged failure of the STS would significantly impact operations at the Airport.

In addition to the obsolescence need for the project, a benefit of updating the controls system software is the flexibility to run an additional set of train cars on each of the STS loops. Each loop currently runs two sets of train cars that can carry a maximum of 3,300 passengers per hour. An additional set, or three sets of train cars, can carry a maximum of 4,950 passages per loop per hour. After the International Arrivals Facility Bridge is operational, it may be possible to reduce the number of STS vehicles operating in the South loop, which would allow for additional vehicles for the North loop. Purchase of additional or replacement STS vehicles is not part of the scope of this project. The Airport will be going through a modeling effort to optimize STS vehicle availability balanced against airline passenger demand.

At the forecasted rate of use, the STS will reach the end of its expected useful life around 2030; with additional renovation, renewal, and replacement expenditures the STS subsystems life may be extended several years beyond that. A new STS or an alternate means of travel to and from the North and South Satellites is being programmed for replacement by 2034. Outside of this project, Airport staff will begin a study in Q4 of 2021 to look at alternatives and make a recommendation for future passenger conveyance to the North and South Satellites.

This project scope was informed by the December 2018 STS Audit and Alternatives Analysis study and similar ATC system replacement projects in recent years at San Francisco International Airport (SFO), Dallas Fort Worth International Airport (DFW), London's Heathrow Airport (LHR) and the APM project at Los Angeles International Airport (LAX).

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### ***Diversity in Contracting***

The project team with the Diversity in Contracting Department determined a Women and Minority Business Enterprise (WMBE) participation aspirational goal of ten percent for the enabling construction project. The previously selected design and automated people mover consultant committed to a sixteen percent WMBE goal.

### **DETAILS**

This project installs modern and redundant fiber optic and radio networks, replaces end of life ATC systems hardware, and updates the ATC system with the most current version of the manufacturer's controls software while maintaining passenger service to the North and South Satellites. The project is divided into two distinct phases. The first phase, an enabling project, is the design and construction of new STS network infrastructure; the second phase is the design, installation, and testing of the ATC equipment.

### ***Scope of Work***

Phase 1 – Design and construction of a new hardened STS controls fiber optic network including conduit, fiber optic cable, server rooms, and supporting electrical infrastructure. Work will primarily be performed within the 1.7 miles of STS tunnels and maintenance support spaces.

Phase 2 – Design, installation, testing and certification of a new STS train controls system including new ATC software and associated equipment (hardware, servers, computers, radios, networking equipment), STS Vehicle ATC replacement, system testing, certification and decommissioning of the old system.

Both phases will require over the ramp busing and passenger wayfinding support.

### ***Impacts to Operations***

The project will have major impacts to operations at the North and South Satellites. Installation, testing and certification of the whole system is expected to take approximately 30 months and will require parts of the STS to be out of service. The current plan is to limit STS service outages to the North and South Satellites to a nightly 6-hour window for a 15 to 18- month period. Over the ramp busing will be required during outages to maintain access to the North and South Satellites. Impacts are expected to begin late 2022 and run through the end of 2024.

### ***Acquisition Methodology***

The project is predominantly equipment replacement with a supporting construction project to provide new physical network infrastructure. Contracts include:

- (1) Consulting services for the Automated People Mover and Design Consultant;

Meeting Date: July 27, 2021

- (2) Major Construction for the enabling STS fiber optic loop;
- (3) Goods and Services Contract for the STS Controls Equipment;
- (4) Services contracts for busing and wayfinding support.

Seventy-five percent of the overall contracting opportunity is for the purchase, installation, testing and certification of ATC equipment which comes from an Automated People Mover (APM) system manufacturer. The APM manufacturer is responsible for the design, installation, integration, testing and certification for passenger use. ATC software equipment configuration is proprietary to each APM manufacturer. Staff advertised Request for Information (RFI) 20-3 to determine which suppliers could provide, install, and certify a replacement ATC for the STS. Only the manufacture BTH USA responded. Pursuant to CPO-6 and RCW 39.04.280 staff plans to utilize a CPO-5 waiver to directly negotiate with BTH USA for the equipment purchase.

**Schedule**

*Activity*

Phase 2 Design Start	2022 Quarter 1
Phase 1 Construction Start	2022 Quarter 4
Phase 1 Substantial Completion	2023 Quarter 2
Phase 2 Installation and Testing Start	2023 Quarter 3
Phase 2 Substantial Completion	2024 Quarter 4

**Cost Breakdown**

	This Request	Total Project
Design	\$0	\$9,000,000
Construction	\$7,740,000	\$7,740,000
Equipment Procurement	\$58,500,000	\$58,500,000
Support Services	\$3,000,000	\$3,000,000
Total	\$69,240,000	\$78,240,000

**ALTERNATIVES AND IMPLICATIONS CONSIDERED**

The minimum implementation timeline of the replacement ATC system is 36 months. The status quo or delayed implementation options place the STS system replacement beyond 2024 which would significantly increase the risk of system failure and therefore were not considered viable options.

**Alternative 1** – Whole STS replacement. This would include replacing the entire automated people mover system: remove all existing systems and replace with yet to be determined new system that include new cars, new power rail, new power centers, new controls, and integration into the existing facilities footprint.

Cost Implications: Cost range \$600M to \$800M

Pros:

- (1) New 30-year APM System



Meeting Date: July 27, 2021

- (2) Competed requirement

Cons:

- (1) High Cost
- (2) Loss of 10 years of STS vehicle life
- (3) STS Service shutdowns (will require months of extensive and continuous shutdown)
- (4) Full time busing to Satellite Terminals or construction of new tunnel/bridge
- (5) Increased risk of failure while planning and designing replacement project.

This is not the recommended alternative.

**Alternative 2** – Renewal and replacement of the ATC system to reduce risk of failure. The project justification and description above speak to this alternative. This option provides the lead time required to evaluate new technologies and develop a better understanding of a future SEA facility layout that the new transportation system will integrate into. In this option, the equipment manufacturer is given a 6-hour working window each night.

Cost Implications: Estimated cost \$78,240,000

Pros:

- (1) Maximizes flexibility of STS vehicle fleet
- (2) Required for additional passenger throughput
- (3) Decreases the risk of major disruption to Satellite Services due to failure
- (4) Ten-year minimum additional useful life of the STS system

Cons:

- (1) Single source negotiations with the STS manufacturer
- (2) Nighttime STS shutdowns
- (3) May have limited useful life (10 years), given future airport growth projections

***This is the recommended alternative.***

**FINANCIAL IMPLICATIONS**

<b><i>Cost Estimate/Authorization Summary</i></b>	Capital	Expense	Total
<b>COST ESTIMATE</b>			
Original estimate	\$57,000,000	\$0	\$57,000,000
Previous changes – net	\$19,000,000	\$3,000,000	\$22,000,000
Art (Transfer to Art CIP)	(\$760,000)	\$0	(\$760,000)
Current estimate	\$75,240,000	\$3,000,000	\$78,240,000
<b>AUTHORIZATION</b>			
Previous authorizations	\$9,000,000	\$0	\$9,000,000
Current request for authorization	\$66,240,000	\$3,000,000	\$69,240,000
Total authorizations, including this request	\$75,240,000	\$3,000,000	\$78,240,000
Remaining amount to be authorized	\$0	\$0	\$0

Meeting Date: July 27, 2021

**Annual Budget Status and Source of Funds**

This project, CIP C801043, was included in the 2021-2025 capital budget and plan of finance with a budget of \$57,000,000. A budget increase of \$19,000,000 was transferred from the Aeronautical Reserve CIP (C800753) resulting in zero net change to the Aviation capital budget. The funding source will be revenue bonds. This project was approved as a Majority-in-Interest by the airlines on May 26, 2020.

**Financial Analysis and Summary**

Project cost for analysis	\$78,240,000
Business Unit (BU)	Terminal Building
Effect on business performance (NOI after depreciation)	NOI after depreciation will increase due to inclusion of capital (and operating) costs in airline rate base.
IRR/NPV (if relevant)	N/A
CPE Impact	\$.30 in 2025

**Future Revenues and Expenses (Total cost of ownership)**

Additional Aviation Maintenance personnel will be required to support the installation of the ATC system and expanded operation of two to three trains in a loop. Staff anticipate an additional two maintenance personnel for the installation of the ATC. Staff will evaluate further staffing increases for the expanded loop capacity at the end of the project.

**ADDITIONAL BACKGROUND**

The STS was the first inter-terminal Automated People Mover (APM) system in the world and the second operational APM at an Airport. Construction of the STS started in 1969 with passenger service beginning in 1973. The 2003 upgrade of the STS installed twenty-one (21) new vehicles, a more modern ATC system, electrical distribution components, and a new guiderail in the existing STS tunnel complex and was expected to last 30 years. The original power rail and travel path are still in service.

**ATTACHMENTS TO THIS REQUEST**

- (1) Presentation slides

**PREVIOUS COMMISSION ACTIONS OR BRIEFINGS**

July 14, 2020 – The Commission authorized the award of a consultant contract, design, preparation of construction and purchasing documents, and use of Port crews. At that time, the estimated project cost range was \$65,000,000 to \$95,000,000.

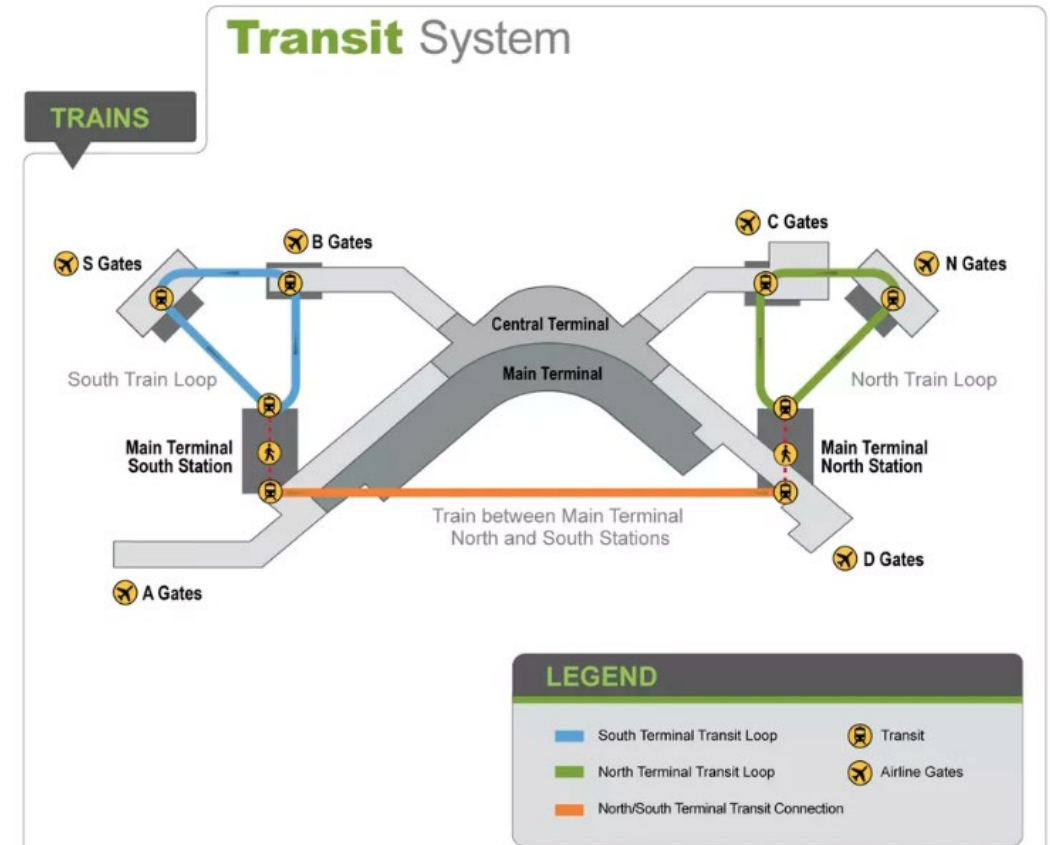
March 26, 2020 – The Commission’s Aviation Committee was briefed on the need for the project.

# Satellite Transit System (STS) Controls Renewal and Replacement Procurement and Construction Authorization

Seattle-Tacoma  
International Airport

# The STS Moves Public to Airport's N & S Satellites

- Design and construction: 1969 - 1972
- Last major upgrade: 1999 - 2003
- 2<sup>nd</sup> Airport APM in the World
- 6 Stations with 1.7 Miles of track
- Carried 28 Million Passengers in 2019
- Replacement System needed by 2034



# Project Purpose

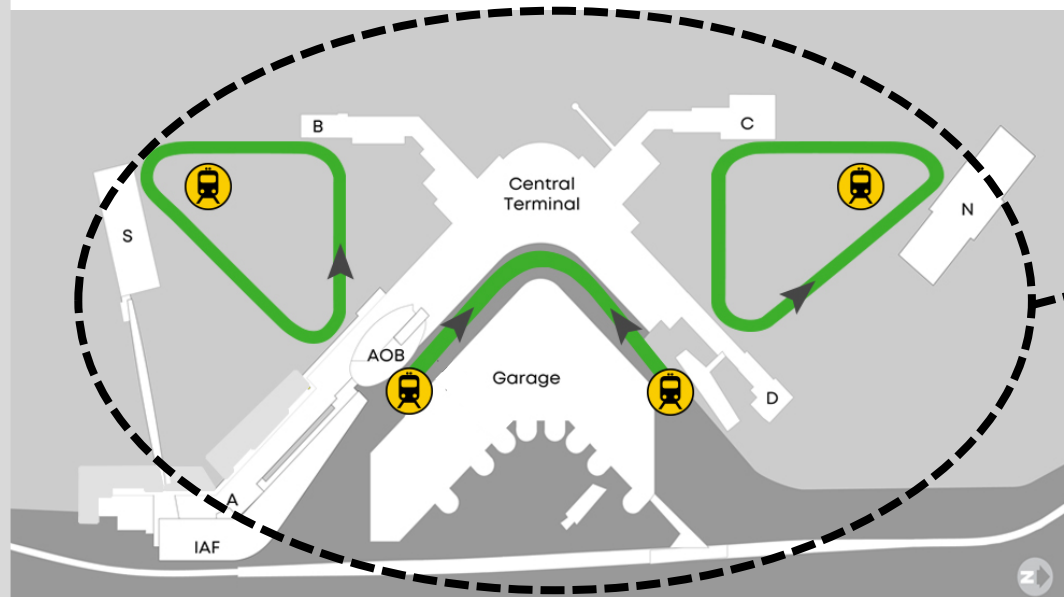
Renewal and replacement project for the STS's Automatic Train Control (ATC) sub-system and associated software, hardware & networks

- Reduces risk by replacing critical 20-year-old end of life & obsolete components
- Optimizes STS system capacity by allowing increased passenger throughput
- System recovery time improved



# STS Controls Project – Scope

## Construction Phase I

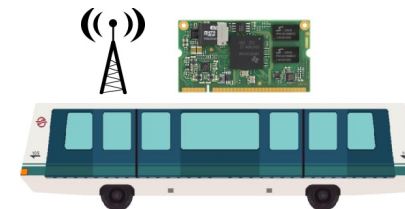


Fiber/ Electrical Infrastructure

## Goods & Services Phase 2



- ATC System
- Software
  - Hardware
  - Network
  - Radios
  - Certification



VATC X 21 Cars



# Customer Experience

- Planning for STS shutdowns from 11PM to 5 AM
- Dedicated Wayfinding Staff
- Contracted Bus Support

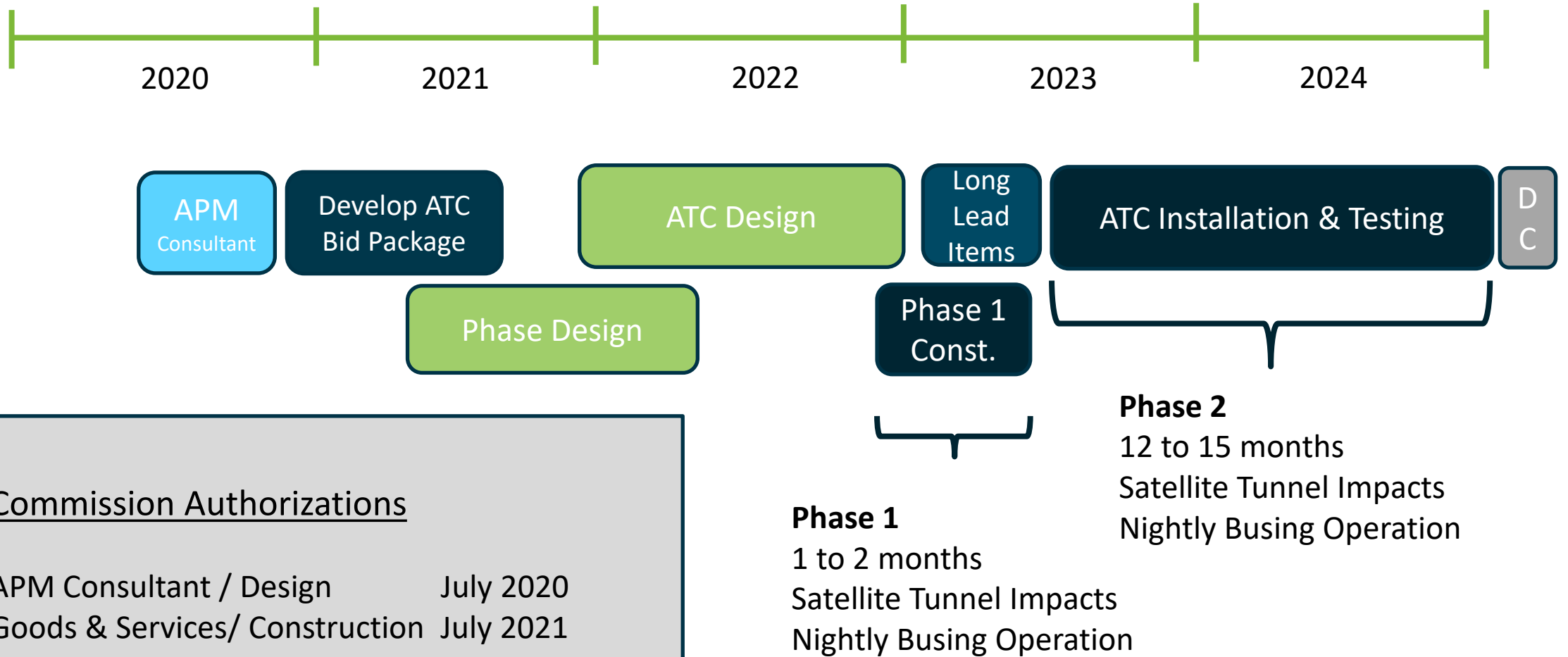


# Risks and Operational Impacts

RISK	DESCRIPTION	PROBABILITY	IMPACT	MITIGATION PLAN
Safety	Safety is the utmost priority. An exposed 600V power rail, limited working area and driverless moving train cars pose significant dangers to workers within the STS tunnels.	Low	High	Both vendors and contractors will be required to adhere to stringent safety protocol for access and working within the STS tunnels.
Extended STS outages	Major impacts to Satellite operations with extended STS outages	Medium	High	Busing will be provided for STS outage periods. The current controls system will remain in place until the new system is completely tested and certified for passenger service.
Procurement method (single supplier negotiations)	The Controls System is proprietary to the STS Manufacture. Staff issued a sources sought RFI to determine that only Bombardier Transportation could provide the replacement controls.	Medium	Medium	The Port is utilizing a Specialist Automated People Mover Consultant to develop scope and pricing documents to evaluate pricing. Staff is analyzing recent Controls Upgrades from other Public Owners.



# Project Timeline

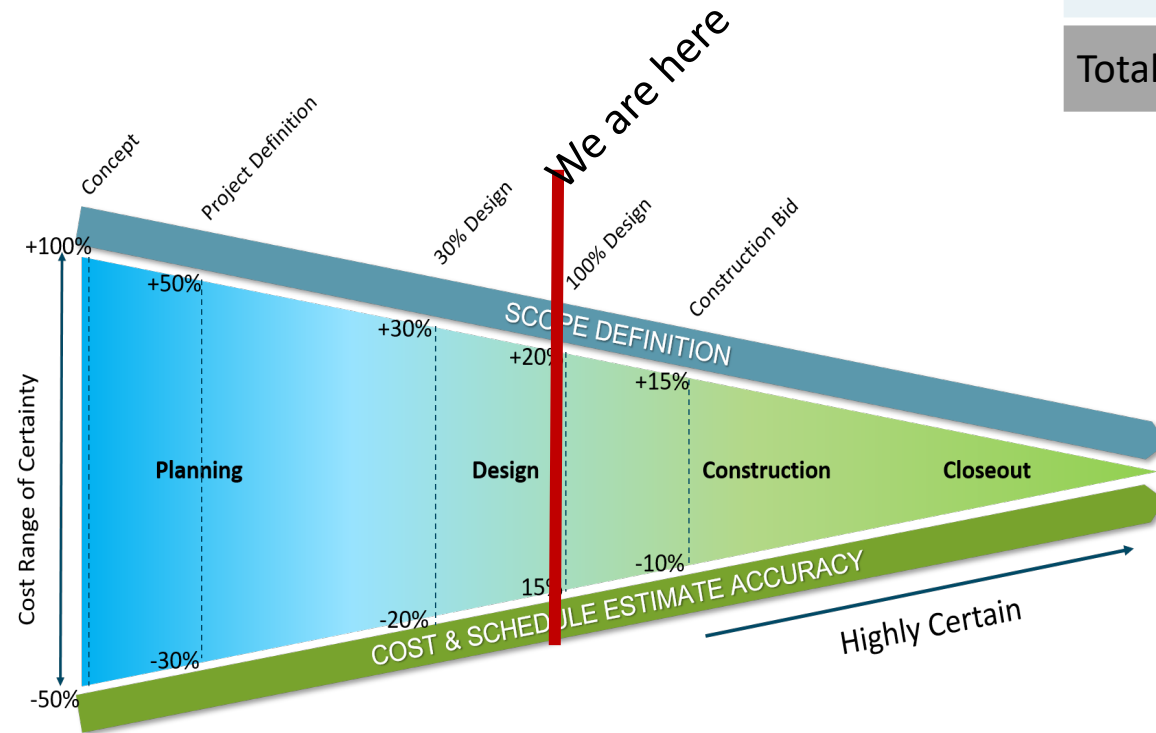


Commission Authorizations

APM Consultant / Design      July 2020  
 Goods & Services/ Construction      July 2021

# Authorization

Cost Breakdown	This Request	Total Project
Design	\$0	\$9,000,000
Construction	\$7,740,000	\$7,740,000
Equipment Procurement	\$58,500,000	\$58,500,000
Support Services	\$3,000,000	\$3,000,000
<b>Total</b>	<b>\$69,240,000</b>	<b>\$78,240,000</b>



Cost Range: \$67M - \$95M

# STS Asset Management - Long Term

Renewal or Replacement to the Satellite Transit System will be required in the next 10 to 15 years.

- Requires study to evaluate alternatives and implementation (Q4 2021 Start)
- \$600M - \$800M for a new APM system
- Evaluate alternate technologies
  - Autonomous vehicles
  - High-speed moving walkways
- Alternate passenger movement to Satellites
  - Busing
  - Tunnel / bridge

# Questions?

[RETURN TO AGENDA](#)



**COMMISSION  
AGENDA MEMORANDUM**

**Item No.** 10c

**ACTION ITEM**

**Date of Meeting** July 27, 2021

**DATE:** July 27, 2021

**TO:** Members of the Commission

**FROM:** Aaron Pritchard, Deputy Commission Chief of Staff  
Pete Ramels, General Counsel

**SUBJECT: Resolution No. 3789 - Enacting Minimum Labor Standards Applicable to Certain Employers Located at Seattle-Tacoma International Airport**

**Amount of this request:** N/A

**Total estimated project cost:** N/A

**ACTION REQUESTED**

Adoption of Resolution No. 3789, Flight Kitchen Minimum Labor Standards, enacting minimum wage and worker retention requirements applicable to certain employers located at Seattle-Tacoma International Airport, pursuant to the authority granted to the Port under RCW 14.08.120(2).

**SUMMARY**

Resolution No. 3789 authorizes the Port of Seattle to implement minimum labor standards at Sea-Tac International Airport (SEA).

On April 16th, 2021, Governor Inslee signed into law Senate Bill 5385. This bill authorizes a municipality, including the Port of Seattle, that controls or operates an airport -- having had more than twenty million annual commercial air service passenger enplanements on average over the most recent seven full calendar years; that is located within the boundaries of a city; that has passed a local law or ordinance setting a minimum labor standard that applies to certain employers operating or providing goods and services at the airport -- to enact a minimum labor standard that applies to employees working at the airport, so long as the minimum labor standard at least meets the minimum labor standard in the city's law or ordinance.

SEA has had more than twenty million annual commercial air service passenger enplanements on average over the most recent seven full calendar years (2014-2020).

In 2013, voters in the City of SeaTac enacted Proposition 1 ('Prop 1'), which established a number of separate minimum labor standards for certain categories of employers located in the City of SeaTac; and the Airport is located within the boundaries of SeaTac. Minimum labor standards

Meeting Date: July 27, 2021

included in Prop 1 is the establishment of a minimum wage for certain categories of employers operating in the City of SeaTac and worker retention requirements.

Prop 1 set the initial minimum wage to be imposed on covered employers at \$15.00 per hour. The current Prop 1 minimum wage for 2021 is \$16.57 per hour.

The minimum wage required to be paid under this Resolution shall be adjusted for inflation on the same schedule that the minimum wage set forth in Prop 1 is adjusted, so that the minimum wage required to be paid by an employer under this Resolution continuously at least meets the minimum wage amount required by Prop 1.

Prop 1 also established a worker retention minimum labor standard for certain categories of employers operating in the City of SeaTac, in certain circumstances (SMC 7.45.060). Employers that provide goods or services at the Airport and are engaged in the preparation of food or beverage to be served in-flight by an airline from facilities that are located on property owned by the Port of Seattle within the City of SeaTac shall comply with a worker retention requirement that at least meets the worker retention requirement established by Prop 1.

Employers subject to this Resolution shall be required to begin paying the minimum wage and adhere to worker retention standards set forth herein no later than August 2, 2021.

The Resolution also authorizes and directs the Managing Director of the Aviation Division of the Port of Seattle to promulgate and administer Rules and Regulations to carry out the provisions of this Resolution and to provide a draft of any Rules and Regulations to the Port Commission, airline signatories, affected employers and their employees, and the general public, at least 60 days before the implementation date. The Rules and Regulations must be consistent with state and federal law and this Resolution.

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**PORT OF SEATTLE  
RESOLUTION NO. 3789**

**A RESOLUTION** of the Port Commission of the Port of Seattle to enact minimum wage and worker retention requirements applicable to certain employers located at Seattle-Tacoma International Airport, pursuant to the authority granted to the Port under RCW 14.08.120(2).

**WHEREAS**, the voters of King County authorized and approved the formation of a port district coextensive with King County to be known as the Port of Seattle in a special election on September 5, 1911; and

**WHEREAS**, the Port of Seattle was established upon election as a port district and has been since then, and is now, a duly authorized and acting port district of the state of Washington; and

**WHEREAS**, the Port Commission is the legally-constituted governing body of the Port of Seattle; and

**WHEREAS**, in accordance with RCW 14.08.030, the Port of Seattle owns and operates Seattle-Tacoma International Airport (the “Airport”); and

**WHEREAS**, RCW 14.08.120(1)(b) authorizes the Port of Seattle to adopt and amend all needed rules and regulations for the management, government, and use of airports and air navigation facilities under its control, including the Airport; and

**WHEREAS**, RCW 14.08.120(2)(a) provides that a municipality that controls or operates an airport having had more than twenty million annual commercial air service passenger enplanements on average over the most recent seven full calendar years that is located within the boundaries of a city that has passed a local law or ordinance setting a minimum labor standard that applies to certain employers operating or providing goods and services at the airport is authorized to enact a minimum labor standard that applies to employees working at the airport, so long as the minimum labor standard at least meets the minimum labor standard in the city’s law or ordinance; and

**WHEREAS**, RCW 14.08.120(2)(b) provides that a municipality’s authority to establish a minimum labor standard pursuant to (a) of this subsection may be imposed only on employers that are excluded from the minimum labor standard established by such city because the type of good or service provided by the employer is expressly excluded in the text of the city’s law or ordinance; and

**WHEREAS**, the Airport has had more than twenty million annual commercial air service passenger enplanements on average over the most recent seven full calendar years (2014-2020); and

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**WHEREAS**, in 2013, voters in the City of SeaTac enacted Proposition 1 (“Prop 1”) (Ch. 7.45 SMC), which established a number of separate minimum labor standards for certain categories of employers located in the City of SeaTac; and

**WHEREAS**, the Airport is located within the boundaries of the City of SeaTac; and

**WHEREAS**, one minimum labor standard included by Prop 1 is the establishment of a minimum wage for certain categories of employers operating in the City of SeaTac; and

**WHEREAS**, Prop 1 set the initial minimum wage to be imposed on covered employers at \$15.00 per hour beginning on January 1, 2015, subject to adjustment on January 1 of every subsequent year to keep pace with the rate of inflation (SMC 7.45.050); and

**WHEREAS**, the Prop 1 minimum wage for 2021 is \$16.57 per hour; and

**WHEREAS**, Prop 1 also established a worker retention minimum labor standard for certain categories of employers operating in the City of SeaTac, in certain circumstances (SMC 7.45.060); and

**WHEREAS**, in *Filo Foods, LLC v. City of SeaTac*, 183 Wn.2d 770, 357 P.3d 1040 (2015), the Washington Supreme Court held that Prop 1 applies to employer categories covered by Prop 1 located at the Airport; and

**WHEREAS**, employers within the scope of Prop 1 who operate at the Airport currently are required to pay Prop 1-level wages and comply with Prop 1’s worker retention requirement; and

**WHEREAS**, Prop 1 expressly excludes certain types of employers from its scope based on the type of goods or services they provide, including employers that prepare food or beverage to be served in-flight by an airline (SMC 7.45.010(G)); and

**WHEREAS**, pursuant to the authority specifically granted to the Port under RCW 14.08.120(2)(b), the Port seeks to enact minimum wage and worker retention requirements to apply to those employers that are expressly excluded from Prop 1’s scope in the text of the ordinance because they engage in the preparation of food or beverage to be served in-flight by an airline; and

**WHEREAS**, pursuant to RCW 14.08.120(2)(d), any such minimum wage and worker retention requirements imposed by the Port of Seattle will apply only to covered employers that provide goods or services at the Airport from facilities that are located on property owned by the Port of Seattle within the boundaries of the City of SeaTac; and

**WHEREAS**, imposing minimum wage and worker retention requirements on employers who were expressly excluded in the text of Prop 1 because of the type of good or service the



93 employer provides is necessary and convenient, and in the best interests and for the benefit of the  
94 Port of Seattle, the affected employees, and the public; and

95  
96 **WHEREAS**, consistent with RCW 14.08.120(2)(c), any minimum wage and worker  
97 retention requirement enacted by the Port of Seattle will not apply to employers at the Airport who  
98 were excluded from Prop 1 because they are a certificated air carrier performing services for itself  
99 or based on the employer’s size or number of employees; and

100  
101 **WHEREAS**, it is the Commission’s intent that the minimum wage and worker retention  
102 requirements enacted by this Resolution will at least meet the minimum wage and worker retention  
103 requirements set forth in Prop 1 for employers covered by the ordinance.

104  
105 **NOW, THEREFORE, BE IT RESOLVED** by the Port Commission of the Port of Seattle  
106 that the following minimum labor standards are hereby enacted:

- 107  
108 1. Employers that provide goods or services at the Airport and are engaged in the preparation  
109 of food or beverage to be served in-flight by an airline from facilities that are located on  
110 property owned by the Port of Seattle within the City of SeaTac shall pay their employees  
111 a wage that at least meets the hourly minimum wage established by Prop 1.  
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- 113 2. The minimum wage required to be paid under this Resolution shall be adjusted for inflation  
114 on the same schedule that the minimum wage set forth in Prop 1 is adjusted, so that the  
115 minimum wage required to be paid by an employer under this Resolution continuously at  
116 least meets the minimum wage amount required by Prop 1.  
117
- 118 3. Employers subject to this Resolution shall be required to begin paying the minimum wage  
119 set forth herein no later than August 2, 2021 (the “Implementation Date”).  
120
- 121 4. Employers that provide goods or services at the Airport and are engaged in the preparation  
122 of food or beverage to be served in-flight by an airline from facilities that are located on  
123 property owned by the Port of Seattle within the City of SeaTac shall comply with a worker  
124 retention requirement that at least meets the worker retention requirement established by  
125 Prop 1.  
126
- 127 5. This worker retention requirement shall become effective on the Implementation Date.  
128
- 129 6. The Managing Director of the Aviation Division of the Port of Seattle is authorized and  
130 directed to promulgate and administer Rules and Regulations to carry out the provisions of  
131 this Resolution. The Rules and Regulations must be consistent with state and federal law  
132 and this Resolution.  
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139 **ADOPTED** by the Port Commission of the Port of Seattle, at a duly noticed meeting held this  
140 \_\_\_\_\_ day of \_\_\_\_\_, 2021, and duly authenticated in open session by the signatures  
141 of the Commissioners voting in favor thereof and the seal of the commission.

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Port of Seattle Commission

**RETURN TO AGENDA**



**COMMISSION  
AGENDA MEMORANDUM**

**Item No.** 11a

**BRIEFING ITEM**

**Date of Meeting** July 27, 2021

**DATE:** July 9, 2021  
**TO:** Stephen P. Metruck, Executive Director  
**FROM:** Dan Thomas, Chief Financial Officer  
Michael Tong, Director, Corporate Budget  
**SUBJECT: 2022 Budget Development Briefing**

**EXECUTIVE SUMMARY**

The purpose of this briefing is to provide the Commission a preview of the 2022 budget development process. Staff would also like to seek the Commission's feedback on the guidance on preparation of the 2022 budget.

This is one of a series of budget briefings to the Commission starting from early June prior to the formal Commission reviews and approvals of the 2022 budget from September to November.

**ATTACHMENTS TO THIS BRIEFING**

- (1) Presentation slides

**PREVIOUS COMMISSION ACTIONS OR BRIEFINGS**

June 3, 2021 – Commission Budget Retreat

# Port of Seattle 2022 Budget Development Briefing

July 27, 2021



# Agenda

- 2022 Budget Guiding Principles
- 2022 Budget Strategies
- 2022 Budget Process Overview
- 2022 Key Budget Dates

# 2022 Budget Guiding Principles

- Continue to focus on the **health and safety of employees, customers and the public** with increased utilization of Port facilities
- Ensure the **efficient operation of Port business gateways** as business volumes recover
- Support **regional equitable economic recovery** through advancing the Port's **capital improvement plan** and continued **investment in community programs**
- Assess the **longer-term effects of COVID-19 on Port operations** and facility needs
- Invest in **employee development, retention, and recruitment**
- Need to be **adaptable and flexible** to the changing business environment

# 2022 Budget Strategies

- Maintain expense growth in line with projected revenue growth
- Reassess staffing needs considering projected increases in business activity
- Restore merit pay increases for non-represented staff and increase expenditures for training and development
- Begin to incorporate an equity lens in developing and reviewing budgets and operational plans

# 2022 Budget Process Overview

## Environmental Assessment

- Assess business environment and needs
- Update operating and capital forecasts
- Conduct SWOT analysis

## Budget Preparation

- Develop budget assumptions and drivers
- Identify key financial metrics and budget targets
- Issue budget calendar and departmental guidelines
- Prepare operating and capital budgets in accordance with principles and guidelines

## Budget Reviews and Approvals

- Conduct internal department and division budget reviews
- Publish the preliminary budget document to the public
- Commission review and approval of budgets/capital plans

## Final Steps

- File the Statutory Budget with King county
- Publish the final budget document to the public



# 2022 Budget Key Dates

(Commission Items in Blue)

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5/21 – 2022 Budget Planning Discussion with ELT

6/03 – Commission Budget Retreat

7/13 – 2022 Budget Process and Schedule Commission Briefing

7/14 – 2022 Budget Guidelines available

7/29 – Commission Budget Retreat

8/06 – Central Services Department new budget requests due to F&B

8/18 – 08/25: Executive review of Central Services Department Budgets/New Requests

9/01 – Executive review of combined Central Services Budget

9/13 – Executive review of Maritime and EDD Operating & Capital Budgets

9/14 – 2022 North Harbor Budget to the NWSA

9/15 – Executive review of Aviation Operating & Capital Budgets

# 2022 Budget Key Dates

(Commission Items in Blue)

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09/28 – Central Services Budget and Port wide Budget Overview Commission briefing

10/12 – Operating Divisions Commission Budget Study Session

10/15 – POS/NWSA ILA Service Directives due to the NWSA

10/19 – 2022 Preliminary Budget Document available to Commission

10/21 – 2022 Preliminary Budget Document available to the public

10/26 – Tax Levy & Draft Plan of Finance Commission briefing

10/28 – NWSA Budget study session with Managing Members

11/09 – NWSA Budget adoption by Managing Members

11/09 – Introduction of preliminary 2022 Budget and public hearing

11/16 – Adoption of 2022 Budget

12/01 – File the 2022 Statutory Budget with King county

12/15 – Publish the 2022 Final Budget to the public

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