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APPROVED MINUTES COMMISSION REGULAR MEETING MARCH 8, 2022

The Port of Seattle Commission met in a regular meeting Tuesday, March 8, 2022. The meeting was held remotely in accordance with Senate Concurrent Resolution 8402 and in accordance with Governor Inslee's Proclamation 20-28. Commissioners Calkins, Cho, Felleman, Hasegawa, and Mohamed were present.

1. CALL to ORDER

The meeting was convened at 10:30 a.m. by Commission President Ryan Calkins.

2. EXECUTIVE SESSION pursuant to RCW 42.30.110

The public meeting recessed into executive session to discuss two matters regarding the performance of a public employee and litigation/or potential litigation/or legal risk, per RCW 42.30.110(1)(g) and RCW 42.30.110(1)(i), for approximately 55 minutes, with the intention of reconvening the public session at 12:00 p.m. Following the executive session, the public meeting reconvened at 12:00 p.m. Commission President Calkins led the flag salute.

3. APPROVAL of the AGENDA

The agenda was approved without objection with the postponement of Item 4b to the March 22, 2022, meeting and Items 8o and 8r pulled from the Consent Agenda, to be discussed separately.

4. SPECIAL ORDERS OF THE DAY

4a. Proclamation in Support of Those Impacted by the Invasion of Ukraine

Presenter(s):

LeeAnne Schirato, Senior Strategic Advisor
Karin Zaugg Black, International Business Protocol Liaison

Delegates in attendance:

Honorary Consul of Ukraine in Seattle, Valeriy Goloborodko
Oleg Pynda, Ukrainian Community Center President
Liliya Kovalenko, Ukrainian Association of WA State President
Yuriy Zaremba, Ukrainian Chamber of Commerce President
Anatoliy Kolomiets, IMOCE President
Vasyl Shablevskyy, Meest Director
Alex Leshko, Pacific Ukrainian Society Director

Commission Clerk Michelle Hart read Item 4a into the record.

Executive Director Metruck introduced the item and spoke regarding the current invasion of Ukraine and in support of relief for those impacted and humanitarian aid.

Commissioner Calkins read the proclamation into the record.

Senior Strategic Advisor, LeeAnne Schirato, introduced Svetlana O'Brien, Port employee who spoke regarding her Ukrainian heritage and concern for her family and the people of Ukraine.

Honorary Consul of Ukraine in Seattle, Valeriy Goloborodko, and Ukrainian Community Center President Oleg Pynda addressed the Commission regarding the current crisis in Ukraine and thanked the Port of Seattle of its support.

Members of the Commission thanked the speakers and delegates in attendance and echoed their support of the proclamation and in supporting the Ukrainian community.

The motion, made by Commissioner Cho, to adopt the Proclamation, carried by the following vote:

In favor: Calkins, Cho, Felleman, Hasegawa, and Mohamed (5)

Opposed: (0)

5. EXECUTIVE DIRECTOR'S REPORT

Executive Director Metruck previewed items on the day's agenda and made general and meeting-related announcements.

6. COMMITTEE REPORTS

Ms. Erica Chung, Strategic Advisor, provided a report regarding committee meetings held on February 15, 2022, and overviewed items discussed during those meetings.

7. PUBLIC COMMENT

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

- The following people spoke in support of Agenda Item 9a: Michele Manasse, Fireworks Gallery; Kathy Casey, Kathy Casey Food Studios; Lisa Luchau, Seattle Chocolate; and Chong Pak, Pallino.
- The following person spoke regarding the increase in cruise calls for 2022, critical impacts on the climate crisis, and the needed reduction for non-essential cruising: Iris Antman, Seattle Cruise Control member.
- The following person spoke regarding reduction of fossil fuel consumption, the increase in 2022 cruise calls to Seattle, and resulting climate impacts from ship emissions: Peggy Printz, Seattle Cruise Control member.
- The following person spoke regarding the current situation in Ukraine and regarding aviation noise over Vashon Island, requesting the retention of temporary noise monitors in the interim

of the placement of permanent monitors due to NextGen flight path noise: David Goebel, President Vashon Fair Skies.

- The following people spoke in opposition to development and in support of open space retention in North Seatac Park: Rob Bent and Noemie Maxwell Vassilakis (*written comments also submitted*), Defenders of North Seatac Park group.
- The following person thanked the Commissioner for its proclamation in support of Ukraine and regarding cruise tourism being a maritime activity causing impacts on the environment and human health, with small and doubtful local economic benefits: Jordan Van Voast, resident. (*written comments also submitted*).
- In lieu of spoken comment, written comments regarding preservation of all undeveloped land around the airport, including park land, and stating that the Port's Real Estate Strategic Plan does not supersede environmental justice and climate change concerns regarding North Seatac Park were submitted by: Megan Kogut.

[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 Minutes of the Special Meeting of February 6, 2022, and the Regular Meeting of February 8, 2022.**
- 8b. Approval of the Claims and Obligations for the Period February 1, 2022, through February 28, 2022, Including Accounts Payable Check Nos. 942582 through 942922 in the Amount of \$6,099,841.97; Accounts Payable ACH Nos. 042508 through 043115 in the Amount of \$39,205,200.45; Accounts Payable Wire Transfer Nos. 015775 through 015793 in the Amount of \$ 7,694,046.46; Payroll Check Nos. 200790 through 200989 in the Amount of \$125,242.90; and Payroll ACH Nos. 1064592 through 1068670 in the Amount of \$11,461,493.81, for a Fund Total of \$64,585,825.59.**

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

- 8c. Authorization for the Executive Director to Execute a Service Agreement for a Third-Party Commissioning Agent for the C Concourse Expansion Project at Seattle-Tacoma International Airport. (CIP #C800845)**

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

- 8d. Authorization for the Executive Director to Authorize an Additional \$1,309,000 for a Total Project Authorization of \$11,675,000 for the Employee Services Center Project at Seattle-Tacoma International Airport. (CIP #C800934)**

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

- 8e. Authorization for the Executive Director to Proceed with the Airport Resource Management System Upgrade Project and Execute Contract(s) for Software, Equipment, Vendor Services, and Ten Years of Software License and Maintenance Fees, for a Project Implementation Cost of \$1,300,000 and the Estimated Ten-Year Software License and Maintenance/Enhancement Fee of \$3,000,000 (\$300,000 Annually). (CIP #C801233)**

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

- 8f. Authorization for the Executive Director to Invest at Least \$5,718,840 into the Maritime Innovation Center (MInC) to Provide Required Matching Funds for a United States Economic Development Administration Grant in the Amount of \$5,000,000. (CIP #C801084)**

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

- 8g. Authorization for the Executive Director to Award and Execute a Construction Contract to the Low Bidder for the P69 Underdock Utility Replacement Project Due to an Irregular Bid Outcome for the Three Bids Submitted, and to Increase the Project Budget in the Amount of \$350,000 to Fund the Irregular Bid Outcome. (CIP #C801102)**

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

- 8h. Authorization for the Executive Director to Amend and Increase the Not-to-Exceed Amount of the Puget Sound Energy (PSE) Engineering Services and Construction Agreement (ESCA) Required for the Supervisory Control and Data Acquisition System (SCADA) Project (CIP #C800699) from \$1,014,000 to \$1,200,000. (CIP #C800699)**

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

- 8i. Authorization for the Executive Director to Execute a Contract for an Exclusive Catering Company to Provide Food and Beverage Service at the Conference Center at Seattle Tacoma International Airport, for an Amount Not-to-Exceed \$1,000,000 over Five Years (Three-year Contract, with Two, One-Year Extension Options).**

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

- 8j. Authorization for the Executive Director to Issue Two Separate Requests for Proposals to Select a Vendor for ATM and Merchant Deposit Services and Food and Beverage Vending Services and to Execute a Concession Agreement with the Selected ATM Service Provider and Vending Operator at Seattle-Tacoma International Airport.**

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

- 8k. **Authorization for the Executive Director to Execute a Contract with Varec for Foreign Object Debris (FOD) Detection System Maintenance and License Fees for a Period Not-to-Exceed Five Years in an Amount Not-to-Exceed \$2,000,000 Over the Five-Year Period.**

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

- 8l. **Authorization for the Executive Director to Execute a Contract for a System to Archive Text Messages for a Period Not-to-Exceed Ten Years in an Amount Not-to-Exceed \$2,000,000 Over the Ten-Year Period.**

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

- 8m. **Authorization for the Executive Director to Execute a Contract for a Human Resources Case Management System for a Period Not-to-Exceed Ten Years in an Amount Not-to-Exceed \$600,000 Over the Ten-Year Period.**

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

- 8n. **Approval of Commission International Travel Requests for Known Travel in the First and Second Quarters of 2022.**

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

- ~~18o. **Adoption of the 2022 Local and Regional Government Policy Priorities for Staff to Engage with Local and Regional Officials and Other Partners in Support of these Priorities.**~~

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

- 8p. **Authorization for the Executive Director to Execute One or More Procurements, in the Estimated Amount of \$8,620,000 to Replace Airfield Snow Removal Equipment.**

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

- 8q. **Authorization for the Executive Director to Execute Two Indefinite Delivery, Indefinite Quantity (IDIQ) Contracts for \$7,500,000 Each for Aviation Planning Services at Seattle-Tacoma International Airport in an Amount Totaling No More Than \$15,000,000 with a Three-Year Ordering Base Period and Two One-Year Options.**

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

¹ Item 8o was pulled from the Consent Agenda and addressed separately.

~~**28r. Authorization for the Executive Director to Execute an Eighth Amendment to the Lower Duwamish Waterway Group Memorandum of Agreement.**~~

~~Request document(s) included an agenda memorandum and amendment.~~

~~The motion for approval of consent agenda items 8a, 8b, 8c, 8d, 8e, 8f, 8g, 8h, 8i, 8j, 8k, 8l, 8m, 8n, 8p, and 8q carried by the following vote (items 8o and 8r were removed from the Consent Agenda):~~

~~In favor: Calkins, Cho, Felleman, Hasegawa, and Mohamed (5)~~

~~Opposed: (0)~~

ITEMS REMOVED FROM THE CONSENT AGENDA

8o. Adoption of the 2022 Local and Regional Government Policy Priorities for Staff to Engage with Local and Regional Officials and Other Partners in Support of these Priorities.

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

Presenter(s):

Dave Kaplan, Local Government Relations Manager, External Relations
Sabrina Bolieu, Regional Government Relations Manager
Keri Pravitz, East King County Community & Government Relations Manager, External Relations
Melissa Parks, Government Relations Policy Analyst, External Relations
Nate Caminos, Director Government Relations, External Relations
Geraldine Poor, Senior Regional Transportation Manager, External Relations

Commission Clerk Michelle Hart read Item 8o into the record.

Executive Director Metruck introduced the item.

The main motion, made by Commissioner Felleman, was approved as follows:

A primary amendment, made by Commissioner Felleman, to amend page 11 of the memo presented, last sentence, to add the clause, “as well as support for our partnership with King County on the Municipal Solid Waste Study,” to read:

“Support policy measures that equitably accelerate the transition to cleaner energy sources for maritime industry, as well as support for our partnership with King County on the Municipal Solid Waste Study.”

In favor: Calkins, Cho, Felleman, Hasegawa, and Mohamed (5)

Opposed: (0)

² Item 8r was pulled from the Consent Agenda and addressed separately.

The main motion, as amended, was approved as follows:

In favor: Calkins, Cho, Felleman, Hasegawa, and Mohamed (5)

Opposed: (0)

8r. Authorization for the Executive Director to Execute an Eighth Amendment to the Lower Duwamish Waterway Group Memorandum of Agreement.

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

Presenter(s):

Joanna Florer, Senior Environmental Program Manager, Maritime Environment and Sustainability

Kathy Bahnick, Senior Manager, Environmental Programs, Maritime Environment and Sustainability

Commission Clerk Michelle Hart read Item 8r into the record.

Executive Director Metruck introduced the item.

Kathy Bahnick reported regarding the amendment to the cost-sharing agreement, to include cost and contracting to perform work on the Superfund site which is beyond what is required, and that is why the authorization is needed. Additional clean-up actions will be above what is required in the record of decision.

Commissioner Felleman thanked staff for bringing the evaluation forward so that we know when we are performing the clean-up that it is at the maximum feasibility possible.

Members of the Commission supported the authorization and the importance of exceeding expectations.

The motion, made by Commissioner Felleman, carried by the following vote:

In favor: Calkins, Cho, Felleman, Hasegawa, and Mohamed (5)

Opposed: (0)

9. UNFINISHED BUSINESS

9a. Authorization for the Executive Director to Extend all ADR Multi-Premise Leases and Single-Use Leases in Lease Groups 2, 3, 4, and 4a by Three (3) Years, with the Exception of Lease No. 2361 (as Defined in the Authorization Memo) and Introductory and Intermediate Single-Use Kiosk Leases.

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

Presenter(s):

Lance Lyttle, Managing Director, Aviation
Dawn Hunter, Acting Aviation Chief Operating Officer
Khalia Moore, Senior Manager ADR, Airport Dining and Retail

Commission Clerk Michelle Hart read Item 9a into the record.

Executive Director Metruck introduced the item.

The presentation addressed:

- the background of Motion 2020-19;
- Airport Dining and Retail (ADR) Tenants collectively met with ADR staff to discuss the cost of design and construction at the SEA;
- concerns heard included several areas of the process;
- a meeting with the Aviation Managing Director and Commissioners was held to find a resolution to the issue;
- Executive Director Metruck asked ADR Staff to engage with the LEAN Process Improvement Team to understand the issue and find long-term solutions to the problem;
- a 'Voice of the Tenant Meeting' was held;
- areas of concern included the design review process, port design standards, building and fire code review, and permitting;
- new best practices identified;
 - begin a new ADR Master Planning effort
 - evaluate current Port standards and create ADR specific standards
 - re-evaluate base building conditions based on new ADR Master Planning efforts
 - before design starts, Port Demo of the space (cold-shell)/after demo, verify as-builts conditions with new tenants
 - Port addressed base building conditions
 - Port standards impacting Aviation Commercial Management business partners will be discussed and approved with Aviation Commercial Management/ADR team prior to implementation to understand and analyze business and cost impacts to the tenants/program
 - subject matter experts are at the table when key planning decisions are made
- analyzing tenant impacts; and
- analysis recommendations - after reviewing the cost variance of the sample tenants, the Port is recommending that an additional three (3) years term be provided to the Affected Tenants.

Members of the Commission and staff discussed:

- the Port having a breakdown of minority businesses and the parts of the region they are from;
- the portion of cost overruns due to procedure;
- shortening the time of bid-length;
- site variations for different tenants;
- informing tenants on the challenges that may be present with running a business at the airport;
- removing any unnecessary challenges from the process; and
- opening new spaces at the airport which will accommodate additional business interest.

The motion, made by Commissioner Cho, carried by the following vote:

In favor: Calkins, Cho, Felleman, Hasegawa, and Mohamed (5)

Opposed: (0)

10. NEW BUSINESS

10a. Authorization for the Executive Director to Advertise and Award a Professional Services Contract to Provide Investigation, Remediation, and Strategic Support to Address Per- and Polyfluoroalkyl Substances (PFAS) on Port of Seattle Properties and Facilities.

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

Presenter(s):

Megan King, Senior Environmental Programs Manager, AV Environmental Programs Group
Sarah Cox, Senior Manager, AV Environmental Programs Group

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

Executive Director Metruck introduced the item.

The presentation addressed:

- project authorization – for the Executive Director to advertise and award a professional services contract to address Per- and Polyfluoroalkyl Substances (PFAS) on Port properties and facilities;
- what are PFAS, the origin of use, exposure to PFAS, and associated health risks;
- use of firefighting foam at SEA and present locations;
- actions conducted to-date;
- actions conducted to confirm no known offsite risks;
- proposed scope of the authorization;
- critical near-term regulatory drivers;
- the state clean-up process; and
- next steps in contract procurement and ecology clean-up process.

Members of the Commission and staff discussed the priority of public health. Fire Chief Starkey spoke regarding measures being taken to screen employees of PFAS exposure.

Discussion continued regarding the long-term period of the study being conducted and how PFAS is traced and identified – sampling, as it is colorless and odorless.

The motion, made by Commissioner Mohamed, carried by the following vote:
In favor: Calkins, Cho, Felleman, Hasegawa, and Mohamed (5)
Opposed: (0)

11. PRESENTATIONS AND STAFF REPORTS

11a. 2021 Financial Performance Briefing.

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

Presenter(s):

Dan Thomas, Chief Financial Officer, Finance and Budget
Michael Tong, Director, Corporate Budget
Borgan Anderson, Director, AV Finance and Budget
Kelly Zupan, Director SP Finance and Budget, Maritime Finance
Stephanie Jones Stebbins, Managing Director, Maritime Division
Dave McFadden, Managing Director Economic Development, Economic Development Administration

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

Executive Director Metruck introduced the item and presenters.

Members of the Commission and staff discussed:

- key highlights in 2021;
- Aviation Division financial performance;
 - passenger growth rebounding
 - federal relief grants strengthening financial performance
 - a summary of operating expenses
 - aero rate base revenue requirements
 - aeronautical revenue
 - non-aero revenue concessions grant impacts
 - non-aeronautical revenues
 - strategic use of federal relief grants to achieve debt service coverage target
 - 2021 capital spending @ 79 percent of budget
 - 2021 airport development fund balance
 - federal relief bolstering key financial metrics
- Seaport financial performance summary;
- Maritime Division financial performance;
 - financial summary and business highlights
 - stormwater utility tracking to budget
 - Northwest Seaport Alliance summary – joint venture 2021 financials
 - Maritime achievements
- Economic Development Division; and
 - financial summary and business highlights
 - program advancements
- Central Services operating expenses summary and financial highlights;

- Portwide financial summary;
 - community programs summary
 - capital spending.

Members of the Commission and staff discussed:

- how totals are broken down by homeport;
- increasing cash balance on-hand;
- funding capital improvements in a more complete way; and
- providing a full picture of what the Port is doing with grant monies received from federal relief funds.

11b. Neighbors Advisory Committee (NAC) Annual Report 2020-2021

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

Presenter(s):

Stephanie Jones Stebbins, Managing Director, Maritime Division
Rosie Courtney, Senior Manager, Maritime Engagement
Weldon Ihrig, NAC Facilitator

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

Executive Director Metruck introduced the item and presenters.

Managing Director of Maritime, Stephanie Jones Stebbins, recognized members of the Neighbors Advisory Committee who have contributed through the years, including Jim Smith, who recently passed away.

Rosie Courtney, Maritime Engagement Senior Manager, reported and introduced Weldon Ihrig, NAC Facilitator.

Mr. Ihrig provided the following report from the NAC:

- NAC members;
- virtual meetings held for the NAC during the pandemic;
- traffic studies regarding T91 suspended due to revised pandemic traffic patterns with work from home and they will revisit the study once traffic patterns return to its future normal state;
- ongoing issues for the NAC, including planned input for economic development of T91 uplands; and
- regular meetings of the NAC held on the third Wednesday of each month with Commissioners' attendance welcomed.

Members of the Commission encouraged the NAC to reach out to them with any concerns or input on issues at-large beyond the annual report.

11c. Port's Efforts Related to the Infrastructure Investment and Jobs Act Briefing

Presentation document(s) included an [agenda memorandum](#), [tracking spreadsheet](#), [fact sheet](#) and [presentation report](#).

Presenter(s):

Eric Schinfeld, Senior Manager, Federal & International Government Relations
Melissa Parks, Government Relations Policy Analyst, External Relations

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

Executive Director Metruck introduced the item and presenters.

The presentation addressed:

- major federal investments in infrastructure;
- Port Infrastructure Investment and Jobs Act (IIJA) goals;
- funding categories;
- Port-specific provisions;
- specific funding issued to airports;
- current Port grant efforts;
- other Port-relevant IIJA programs;
- examples of community-relevant IIJA programs;
- other provisions of interest to the Port and/or cities;
- risks and challenges; and
- next steps – submitting three active grant applications by deadlines, tracking, outreach to partners, and advocacy for additional 'build back better' investments, particularly for sustainable aviation fuel and maritime decarbonization.

Members of the Commission and staff discussed:

- reduction of truck emissions being a priority and equity focus;
- small grant programs for innovation and decarbonization; and
- domestic offshore wind opportunities.

12. QUESTIONS on REFERRAL to COMMITTEE and CLOSING COMMENTS –

Members of the Commission and Executive Director Metruck made closing comments.

13. ADJOURNMENT

There was no further business and the meeting adjourned at 4:10 p.m.

Michelle M. Hart, Commission Clerk

Toshiko Hasegawa, Commission Secretary

Minutes approved: March 22, 2022