



COMMISSION SPECIAL MEETING AGENDA

July 11, 2023

To be held virtually via MS Teams and in person at the Port of Seattle Headquarters Building – Commission Chambers, Pier 69, 2711 Alaskan Way, Seattle WA. You may view the full meeting live at meetings.portseattle.org. To listen live, call in at +1 (425) 660-9954 or (833) 209-2690 and Conference ID 687 427 310#

ORDER OF BUSINESS

10:00 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>*

During the regular order of business, those wishing to provide public comment on items related to the conduct of the Port will have the opportunity to:

1) Deliver public comment via email: All written comments received by email to 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 with your name and the topic related to the conduct of the Port you wish to speak to by 9:00 a.m. PT on Tuesday, July 11, 2023. (***Please be advised that public comment is limited to topics related to the conduct of the Port only.***) You will then be provided with instructions and a link to join the Teams meeting.

3) Deliver public comment in person by signing up to speak on your arrival to the physical meeting location: To take advantage of this option, please arrive at least 15 minutes prior to the start of any regular meeting to sign-up on the public comment sheet available at the entrance to the meeting room to speak on items related to the conduct of the Port.

For additional information, please contact commission-public-records@portseattle.org.

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

- 8a. Approval of Minutes of the Regular Meeting of June 27, 2023 and Special Meetings of June 28, 2023, and June 29, 2023. **(no enclosure)**
- 8b. Approval of the Claims and Obligations for the Period June 1, 2023, through June 30, 2023, Including Accounts Payable Check Nos. 948659 through 949128 in the Amount of \$8,572,468.22; Accounts Payable ACH Nos. 055598 through 056498 in the Amount of \$75,785,075.19; Accounts Payable Wire Transfer Nos. 016080 through 016098 in the Amount of \$10,751,579.56; Payroll Check Nos. 207268 through 207860 in the Amount of \$163,749.84; and Payroll ACH Nos. 1139914 through 1144445 in the Amount of \$14,843,118.45, for a Fund Total of \$110,115,991.26. **(memo enclosed) (p.4)**
- 8c. Monthly Notification of Prior Executive Director Delegation Actions June 2023. **(memo enclosed – No action, for information only) (p.7)**
- 8d. (Number Not Used.)
- 8e. Authorization for the Executive Director to Construct the Remaining Wi Fi Improvements Project Passenger Loading Bridge Installations at the North Satellite of Seattle-Tacoma International Airport and to Increase the Project's Overall Authorization by \$4,685,000 which Includes a Budget Increase of \$2,685,000, for a Total Project Authorization of \$19,126,000. (CIP# C800585) **(memo and presentation enclosed) (p.11)**
- 8f. Authorization for the Executive Director to Execute up to Six Indefinite Delivery, Indefinite Quantity (IDIQ) Consulting Agreements for Services Related to Construction Management Services Portwide, with a Cumulative Total Amount Not-to-Exceed \$30,000,000, and a 5-Year Ordering Period for Each Agreement. **(memo enclosed) (p.25)**
- 8g. Authorization for the Executive Director to Execute a Lease Termination and Settlement Agreement with Duke's Shilshole Bay Chowder House LLC. **(memo enclosed) (p.28)**
- 8h. Order No. 2023-09: An Order of the Port of Seattle Commission Appointing a Public Member to the Portwide Arts and Culture Board. **(Order enclosed) (p.29)**
- 8i. Authorization for the Executive Director to Authorize Additional Construction Funding in the Amount of \$350,000 to Replenish Project Contingencies for the Harbor Island Marina Dock E-Float and North Pier Improvements Project, for a Total Project Authorization of \$5,350,000. (CIP# C800678) **(memo and presentation enclosed) (p.31)**

10. NEW BUSINESS

- 10a. Order No. 2023-10: An Order of the Port of Seattle Commission to Adopt Principles to Guide Development of Port of Seattle’s Environmental Land Stewardship Efforts Around Trees, Forest, and Other Habitat. ([order](#) and [presentation](#) enclosed) (p.47)

11. PRESENTATIONS AND STAFF REPORTS

- 11a. Maritime Blue Annual Report. ([memo](#) and [presentation](#) enclosed) (p.56)
- 11b. Equitable Spending and Accountability Project Briefing. (p.81)
([memo](#) and [presentation](#) enclosed)

12. QUESTIONS on REFERRAL to COMMITTEE and CLOSING COMMENTS

13. ADJOURNMENT



**COMMISSION
AGENDA MEMORANDUM**

Item No. 8b

ACTION ITEM

Date of Meeting July 11, 2023

DATE: July 5, 2023
TO: Steve Metruck, Executive Director
FROM: Eloise Olivar, AFR Senior Manager Disbursements
SUBJECT: Claims and Obligations –June 2023

ACTION REQUESTED

Request Port Commission approval of the Port Auditor’s payment of the salaries and claims of the Port pursuant to RCW 42.24.180 for payments issued during the period June 1 through 30, 2023 as follows:

Payment Type	Payment Reference Start Number	Payment Reference End Number	Amount
Accounts Payable Checks	948659	949128	\$ 8,572,468.22
Accounts Payable ACH	055598	056498	\$ 75,785,075.19
Accounts Payable Wire Transfers	016080	016098	\$ 10,751,579.56
Payroll Checks	207268	207860	\$ 163,749.84
Payroll ACH	1139914	1144445	\$ 14,843,118.45
Total Payments			\$110,115,991.26

Pursuant to RCW 42.24.180, “the Port’s legislative body” (the Commission) is required to approve in a public meeting all payments of claims within one month of issuance.

OVERSIGHT

All these payments have been previously authorized either through direct Commission action or delegation of authority to the Executive Director and through his or her staff. Detailed information on Port expenditures is provided to the Commission through comprehensive budget presentations as well as the publicly released Budget Document, which provides an even greater level of detail. The Port’s operating and capital budget is approved by resolution in December for the coming fiscal year, and the Commission also approves the Salary and Benefit Resolution around the same time to authorize pay and benefit programs. Notwithstanding the Port’s budget approval, individual capital projects and contracts exceeding certain dollar thresholds are also subsequently brought before the Commission for specific authorization prior to commencement of the project or contract—if they are below the thresholds the Executive Director is delegated authority to approve them. Expenditures are monitored against budgets monthly by management and reported comprehensively to the Commission quarterly.

Meeting Date July 11, 2023

Effective internal controls over all Port procurement, contracting and disbursements are also in place to ensure proper central oversight, delegation of authority, separation of duties, payment approval and documentation, and signed perjury statement certifications for all payments. Port disbursements are also regularly monitored against spending authorizations. All payment transactions and internal controls are subject to periodic Port internal audits and annual external audits conducted by both the State Auditor’s Office and the Port’s independent auditors.

For the month of June 2023, over \$95,109,122.97 in payments were made to nearly 785 vendors, comprised of 2,568 invoices and over 11,178 accounting expense. About 94 percent of the accounts payable payments made in the month fall into the Construction, Employee Benefits, Contracted Services, Payroll Taxes, Janitorial Services, Utility Expenses, Sales Taxes, Trade Business & Community, Maintenance Inventory and Software. Payroll expenses for the month of June were \$15,006,868.29.

Top 15 Payment Category Summary:

Category	Payment Amount
Construction	56,001,644.46
Employee Benefits	9,372,820.17
Contracted Services	6,551,343.31
Payroll Taxes	6,063,754.02
Janitorial Services	3,514,234.22
Utility Expenses	2,780,908.30
Sales Taxes	1,593,149.86
Trade Business & Community	1,199,530.75
Maintenance Inventory	1,139,893.83
Software	869,541.18
Environmental Remediation	642,620.17
Parking Taxes	628,079.92
Room/Space/Land Rental	616,643.50
Legal	571,008.86
Bond Fees	426,283.59
Other Categories Total:	3,137,666.83
Net Payroll	15,006,868.29
Total Payments:	\$110,115,991.26

Appropriate and effective internal controls are in place to ensure that the above obligations were processed in accordance with Port of Seattle procurement/payment policies and delegation of authority.



Lisa Lam/Port Auditor

At a meeting of the Port Commission held on July 11, 2023, it is hereby moved that, pursuant to RCW 42.24.180, the Port Commission approves the Port Auditor’s payment of the above salaries and claims of the Port:

Port Commission

RETURN TO AGENDA



**COMMISSION
AGENDA MEMORANDUM
FOR INFORMATION ONLY**

Item No. 8c
Date of Meeting July 11, 2023

DATE: July 11, 2023
TO: Stephen P. Metruck, Executive Director
FROM: Stephanie Jones Stebbins, Interim Deputy Executive Director

SUBJECT: Monthly Notification of Prior Executive Director Delegation Actions June 2023

APPROVAL SUMMARY

Notification of the following Executive Director delegated approvals that occurred in June 2023.

Category of Approval	Request#	Description of Approvals June 2023	Category Amount
Projects & Associated Contracts	686-2023	GIS Infrastructure Refresh Project Approval	\$640,000.00
Projects & Associated Contracts	655-2023	Project Increase of \$260,000 for current construction estimate. Purchase and install up to 13 large Surface Hubs for several Port locations.	\$260,000.00
Projects & Associated Contracts	545-2023	Increase contract amount for data collection contractor services	\$350,000.00
Projects & Associated Contracts	704-2023	Project Funding for Construction & use of Port Crews. T86 Park Lift Station Replacement.	\$1,500,000.00
Projects & Associated Contracts	748-2023	Requesting authorization for the Executive Director to advertise and execute one (1) major construction unit price contract for electrical work to support project, operational and safety needs of all	\$1,000,000.00

		Port divisions and the Northwest Seaport Alliance	
Non-Project Procurement of Goods & Purchased Service Contracts, Other Contracts, & Tenant Reimbursement	649-2023	Request authorization to advertise and execute a mobility services contract for the provision of wheelchair and mobility assistance services for airport customers.	\$1,900,000.00
Non-Project Procurement of Goods & Purchased Service Contracts, Other Contracts, & Tenant Reimbursement	584-2023	Executive Director approval to advertise and execute a contract for federal government relations advocacy services for up to five years, a three-year base contract with two one-year options for an estimated contract value of \$1,250,000.	\$1,750,000.00
Non-Project Procurement of Goods & Purchased Service Contracts, Other Contracts, & Tenant Reimbursement	708-2023	Additional Amount needed for existing project to cover Tax Obligation for POSPD public safety bomb robot	\$10,000.00
Non-Project Procurement of Goods & Purchased Service Contracts, Other Contracts, & Tenant Reimbursement	647-2023	Authorization for Waste Pumping and Disposal Services	\$1,700,000.00
Non-Project Procurement of Goods & Purchased Service Contracts, Other Contracts, & Tenant Reimbursement	727-2023	TSA Exit Lane Staffing Support Request - to reimburse the STAC (Seattle Tacoma Airline Consortium) for providing personnel for this purpose.	\$1,300,000.00
Non-Project Procurement of Goods & Purchased Service Contracts, Other Contracts, & Tenant Reimbursement	674-2023	LOA with SEA Tower, updating an agreement that outlines procedures and responsibilities for personnel responding to airport and aircraft emergencies.	\$0.00
Non-Project Procurement of Goods & Purchased Service Contracts, Other Contracts, & Tenant Reimbursement	730-2023	Contract Authorization for Multiple Year JAVA Licenses	\$380,000.00

Meeting Date: July 11, 2023

Non-Project Procurement of Goods & Purchased Service Contracts, Other Contracts, & Tenant Reimbursement	634-2023	Request for Amending Fedresults Inc (i.e., Alteryx) Contract: C-00321149 PO: C-0000291625 by \$15k	\$15,000.00
Non-Project Procurement of Goods & Purchased Service Contracts, Other Contracts, & Tenant Reimbursement	681-2023	Requesting approval of a 4-year membership of \$250,000 per year with Greater Seattle Partners. Membership will support the work of their organization as well as implementation of a regional Export Accelerator Program	\$1,000,000.00
Real Property Agreements	N/A	No Approvals in June	
Utilization of Port Crews	N/A	No Approvals in June	
Sale of Surplus Port Property	734-2023	Request Approval to Dispose and or sell 40 Fleet Vehicles and Tools	\$194,500.00
Total Value of Executive Director Approvals			\$11,999,500.00

TRANSPARENCY:

In approving the delegations for the Executive Director, the Commission requested that staff ensure transparency as it is paramount moving forward. As a result, staff will make approvals visible to the public in two ways. First, these types of approvals will be made visible in public Commission meetings via monthly reporting similar to this one. This approval is both timed and designed to be visible in a similar manner to the monthly Claims and Obligations reporting. Second, staff will publish these delegations to the web by publishing them in a PeopleSoft formatted report on the Port website in the same manner that all procurements, contracts, and other opportunities are made available to public communities.

BACKGROUND:

On January 24, 2023, the Commission approved and adopted Resolution No. 3810 that repealed related prior resolutions and increased the previously delegated Commission authority to the Executive Director and provided clarity in process directives to port staff. The approval made the Delegation of Responsibility and Authority to the Executive Director (DORA) effective on April 3, 2023, and the approvals made by the Executive Director for the month of April are identified in the table above.

The foundation for Resolution No. 3810 included significant data analysis, employee surveys, and internal audit recommendation. Resolution No. 3810 also aligns with the Port Century Agenda in that it helps make the Port a more effective public agency. Many considerations and checks and balances have been built into the associated processes of Executive Director approvals including a high bar of transparency.

Meeting Date: July 11, 2023

Following significant analysis and multiple Commission reviews, the Commission approved the DORA on January 24, 2023. That reporting memo is available for review on the Port website under the January 24, 2023, Commission public meeting, and it provides detailed reasoning and explanation of Resolution No. 3810.

RETURN TO AGENDA



**COMMISSION
AGENDA MEMORANDUM**

Item No.

8e

ACTION ITEM

Date of Meeting

July 11, 2023

DATE: June 30, 2023

TO: Stephen P. Metruck, Executive Director

FROM: Matt Breed, Chief Information Officer, Information and Communications Technology
Eileen Francisco, Director, Aviation Project Management

SUBJECT: Wi-Fi Improvements Project (CIP #800585)

Amount of this request: \$4,685,000

Total estimated project cost: \$19,126,000

ACTION REQUESTED

Request Commission authorization for the Executive Director to (1) construct the remaining Wi-Fi Improvements project passenger loading bridge installations at the North Satellite of Seattle-Tacoma International Airport, and (2) increase the project’s overall authorization by \$4,685,000 which includes a budget increase of \$2,685,000, for a total project authorization of \$19,126,000.

EXECUTIVE SUMMARY

The Wi-Fi Improvements project has completed all design efforts and begun construction of Wi-Fi improvements to the Passenger Loading Bridges (PLBs) on Concourse D at the Airport. PLBs are the articulating walkways that connect aircraft to the airport terminals. With the preparation of new cost estimates, the estimated project cost now exceeds the project budget by \$2,685,000 primarily due to construction cost escalation and soft costs and is outlined in more detail below.

With this request, the project will complete the final phase of Wi-Fi improvement scope by installing additions to all the Airport PLBs. These Wi-Fi additions will extend Wi-Fi coverage to the remaining portions of the ramp and aircraft parking areas not covered by earlier phases of the project and remain a strong interest of the airlines who will benefit from this increased coverage.

JUSTIFICATION

The Wi-Fi Improvements Project will install high performing networks and Wi-Fi access points to better meet the expectations and needs of passengers and airport and airline tenants. The project will provide ramp level Wi-Fi access to each gate position and passenger loading bridge on each concourse. The proposed technology supports the current needs as well as the anticipated growth in the number of connected devices, requirements for improved bandwidth for newer mobile devices, and enabled increased accuracy of location aware services. Overall,

Meeting Date: July 11, 2023

this project will provide up to 200% increase in the coverage and number of access points on concourse levels, tenfold increase in bandwidth, and support today's technology on wireless protocols for newer devices. Airline operations will benefit from the added Wi-Fi coverage at the aircraft parking areas and continue to strongly support this project.

Since its initial authorization in 2014, the project has had three budget increases. In 2016, the budget was increased by \$796,000 to cover the cost of additional antennas needed to address gaps in signal coverage at areas where antennas were previously installed. In 2021, the project budget was increased by \$5,765,000 to account for more complex design and construction and to add Wi-Fi coverage to the North Concourse PLBs which were not installed as part of the NorthSTAR program. This commission action is the third budget increase.

Diversity in Contracting

The design contract was awarded back in 2015 that had a Small Contractor and Supplier (SCS) goal of 7% and is currently achieving 7.4%. For construction, the project team plans to continue utilizing existing Job Order Contracts which is achieving 9% of a 10% WMBE aspirational goal.

DETAILS

This budget increase of \$2,685,000 has two factors: Construction costs went up by \$1,588,000, primarily due to material and equipment price increases both realized and forecast, and the resulting sales tax increase, and due to the change to JOC delivery. Port staff and designer costs went up by \$1,097,000, due in part to project delays leading to a longer schedule duration impacting project management costs, more overlapped construction phases impacting construction management costs, and a need for additional designer construction support.

Multiple projects at the Airport have worked together to provide Wi-Fi coverage across the Airport terminal buildings. Previously, the 'Fiber to Backstands' project provided Wi-Fi to the interior of Concourses A and B. Phases 1 – 6 of this project have provided high speed Wi-Fi to the interior of Concourses C and D, South Concourse, Central Terminal, TSA Checkpoints, Gina Marie Lindsey Hall, Ticketing and Baggage Claim and the Airport ramp areas. The International Arrivals Facility (IAF) project has provided Wi-Fi within the new IAF facility.

Scope of Work

The project will install Wi-Fi antennas or Wireless Access Points (WAPs) on PLBs to enhance the Wi-Fi coverage at the Airport. Construction is through the Job Order Contracting (JOC) alternative public works construction method.

The key elements of project's scope of work include the following:

- (1) Installation of WAPs, surge arrestors, and other necessary mounting equipment.
- (2) Relocation of existing installed equipment to meet coverage requirements.
- (3) Provision of necessary cabling to connect WAPs to Port network and communication system.

Meeting Date: July 11, 2023

Schedule

This project experienced delays caused in part by extended (and ultimately fruitful) negotiations with the JOC contractor and much longer than anticipated procurement lead times for electronic equipment including network switches and WAPs.

Activity

Construction start	2022 Quarter 4
Final in-use date	2025 Quarter 2

Cost Breakdown

	This Request	Total Project
Design	\$0	\$2,697,000
Construction	\$4,685,000	\$16,429,000
Total	\$4,685,000	\$19,126,000

ALTERNATIVES AND IMPLICATIONS CONSIDERED

Alternative 1 – Reduce the project scope to complete within its existing authorization.

Cost Implications: current authorized budget of \$16,441,000.

Pros:

- (1) Lower capital cost due to reduction in scope of work.

Cons:

- (1) Wi-Fi coverage for two concourses (such as Concourse A and the South Concourse) would not be provided for airline operations and passenger use.
- (2) Some design costs, all of which have been incurred, would need to be written off.

This is not the recommended alternative.

Alternative 2 – Increase the project budget and complete the work at all gates.

Cost Implications: Capital investment of \$19,126,000.

Pros:

- (1) Provides airline operations personnel access to Wi-Fi in and around the passenger loading bridges and aircraft envelop at all concourses.
- (2) The travelling public may see an increase in connectivity as well while on board the aircraft.
- (3) The airport will have a single, continuous, high speed Wi-Fi network across most of the Airport Terminal area.

Cons:

- (1) Capital cost is higher than Alternative 1

This is the recommended alternative.

Meeting Date: July 11, 2023

FINANCIAL IMPLICATIONS

<i>Cost Estimate/Authorization Summary</i>	Capital	Expense	Total
COST ESTIMATE			
Original estimate	\$9,880,000	\$0	\$9,880,000
Previous changes – net	6,416,000	\$145,000	\$6,561,000
Current change	\$2,685,000	0	\$2,685,000
Revised estimate	18,981,000	\$145,000	\$19,126,000
AUTHORIZATION			
Previous authorizations	\$14,296,000	\$145,000	\$14,441,000
Current request for authorization	\$4,685,000	0	\$4,685,000
Total authorizations, including this request	18,981,000	\$145,000	\$19,126,000
Remaining amount to be authorized	\$0	\$0	\$0

Annual Budget Status and Source of Funds

The Wi-Fi Enhancement project (C800585) was included in the 2023-2027 capital budget and plan of finance with a budget of \$16,296,000. The capital budget increase of \$2,685,000 was transferred from the Aeronautical Allowance (C800753). The funding sources are Airport Development Fund (ADF) and existing revenue bonds.

Financial Analysis and Summary

Project cost for analysis	\$19,126,000
Business Unit (BU)	Airfield Apron Area
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	\$0.07 in 2025

Future Revenues and Expenses (Total cost of ownership)

Although the enhanced Wi-Fi system provides significant performance improvements and better coverage, renewal and replacement of some network components will be required in three-to-five-year time frame to keep pace with innovation in the wireless industry and compliance with potentially upgraded Port network standards.

A software license and increased maintenance fee estimated to be \$20,000 will be budgeted in the ICT operating budget. Recurring Port labor costs required to maintain the system are not expected to change due to this project.

Meeting Date: July 11, 2023

ATTACHMENTS TO THIS REQUEST

- (1) Presentation slides

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

February 23, 2021 – The Commission authorized (1) award and execution of construction contracts for the PLBs installation at all concourses except North Satellite, (2) design the Wi-Fi scope for the PLBs at the North Satellite, (3) increase of project’s overall budget to complete the project.

March 13, 2018 – The Commission authorized the award and execution of a major public works construction contract for the second phase of the Wi-Fi Improvements project. No additional funding was requested.

August 08, 2017 – The Commission authorized the (1) advertisement and execution of contracts for the second phase of the Wi-Fi Improvements project, (2) amendment of the Infrastructure Design Services for Wi-Fi and Video Surveillance System Enhancements Projects service agreement and (3) use of port crews and small works contracts in conjunction with major works contracts.

May 24, 2016 – The Commission authorized the (1) advertisement and execution of contracts for the first phase of construction of the Wi-Fi Improvements project and (2) increase of the project’s overall budget for additional scope.

August 05, 2014 – The Commission authorized the preparation of design and construction bid documents for the Wi-Fi Improvements project.

Wi-Fi Improvements Project Passenger Loading Bridges

July 11, 2023
Commission Day

Why Ramp Wi-Fi?

- Ramp Wi-Fi provides robust ramp coverage for airline and Port operations (baggage handling, inspections, etc). A common system was established to eliminate each airline having to deploy their own system
- This solution reduces the overall costs of managing multiple systems, having to move them when gate assignments change, and eliminates the interference associated with competing systems
- The system will also provide ramp level coverage for the traveling public for hard stand operations

Executive Summary

- **Phases 1 – 6 complete.** Installed Wi-Fi in the Concourses, South Concourse, Main Terminal including bagwell and Ramp areas close to the building.
- **Phase 7** installs Wi-Fi on Passenger Loading Bridges (PLBs) on all concourses except the North Concourse.
- **Construction of first Phase 7** locations is nearing completion. Budget and estimate issues require resolution for the remainder of the phase.
- **Costs for construction of Phase 7** for Main Terminal and South Concourse PLB Wi-Fi have increased. Request additional budget to cover increased cost.
- **Phase 8** installs Wi-Fi on PLBs on the North Concourse.
- Design of Phase 8 is complete. Request construction authorization to complete North Concourse installation.

Wi-Fi Project: Phasing Scope and Authorizations

Construction Package 1 Authorized May 2016	Phase 1	Concourse C Ramp and Interior	Completed 2017
	Phase 3	South Concourse Interior	Completed 2017
	Phase 4	Concourse D Interior	Completed 2017
	Phase 6	Bag Claim; Bagwell; Gina Marie Lindsey Hall	Completed 2017
Construction Package 2 Authorized Aug 2017	Phase 2	Concourse A, B, D, South Satellite Exterior	Completed 2018
	Phase 5	Central Terminal; Ticketing	Completed 2018
Construction Package 3 Authorized Feb 2021	Phase 7	Passenger Loading Bridges at Concourses A, B, C, D and S Satellite	Construction Underway
Construction Package 4 Requesting Authority Today	Phase 8	Passenger Loading Bridges at North Satellite	Today's Request

Overview of Project Cost Increases

August 2014

Budget Incr.	
Total Budget	\$9,880,000

--	--

Cost Drivers

- Initial authorization

May 2016

Budget Incr.	\$796,000
Total Budget	\$10,676,000

--	--

Cost Drivers

- Scope addition: added more antennas to fill in coverage gaps found during surveys

February 2021

Budget Incr.	\$5,765,000
Total Budget	\$16,441,000

--	--

Cost Drivers

- PLB design/construction complexities
- Scope addition: added North Concourse PLB Wi-Fi to the project (formerly part of NorthSTAR program)

Today's Request

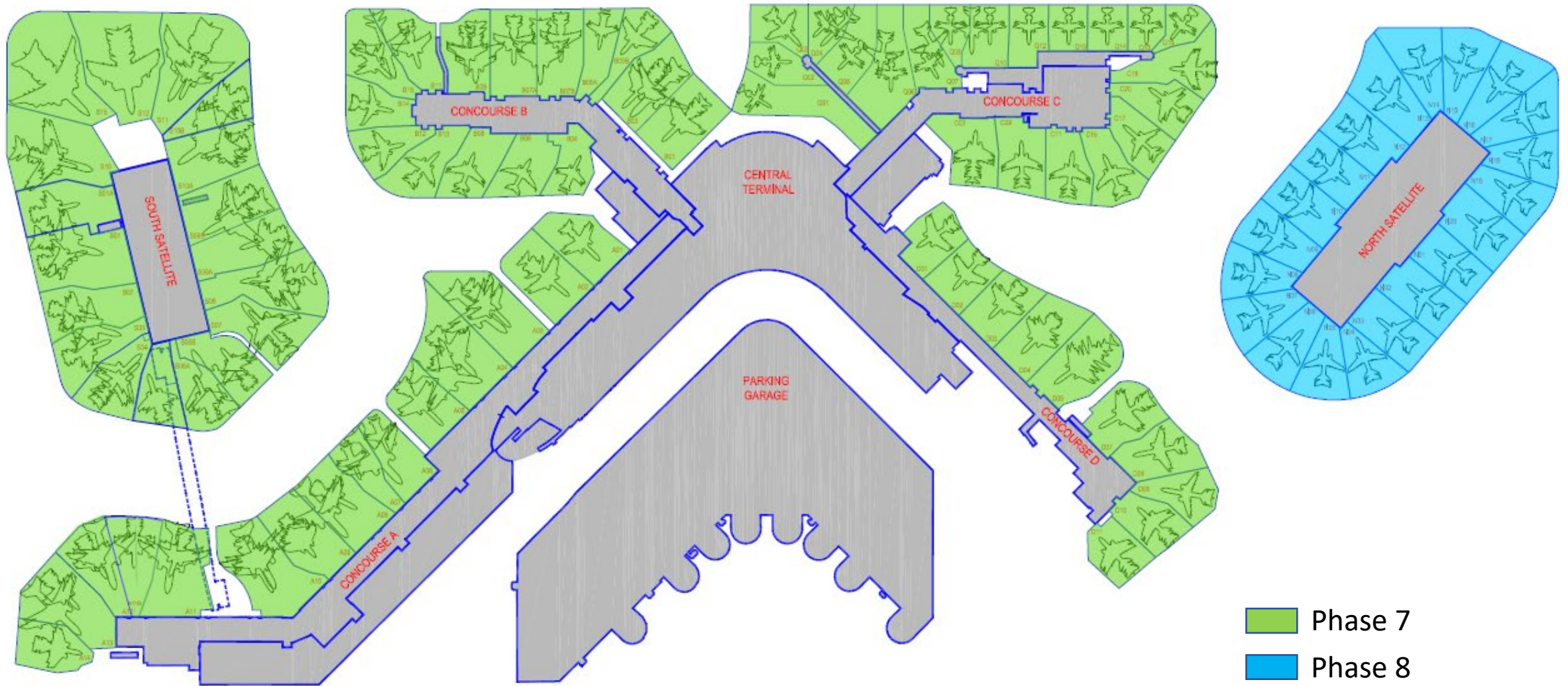
Budget Incr.	\$2,685,000
Total Budget	\$19,126,000

--	--

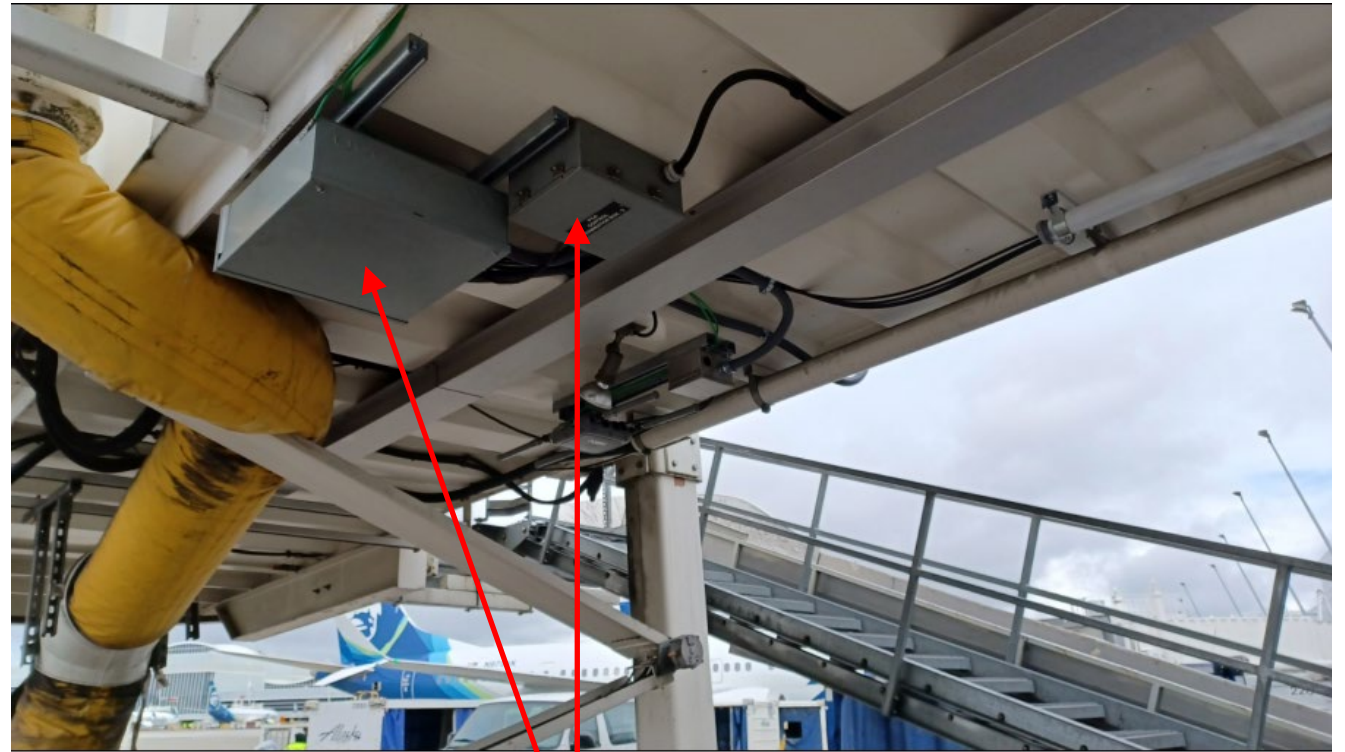
Cost Drivers

- Material & equipment price increases and cost escalation (\$1.6M)
- Staff time and other soft cost increases due to schedule delays (\$1.1M)

Remaining Phase 7 and 8 Scope



First PLB Installation Progress



New Wi-Fi antenna

New equipment boxes

Budget / Authorization Summary

	Current	Increase	New
Budget	\$16,441,000	\$2,685,000	\$19,126,000
Authorization	\$14,441,000	\$4,685,000	\$19,126,000

Schedule

- Complete Construction as follows:
 - Concourse D – Q4 2023
 - Concourse C – Q2 2024
 - Concourse N – Q2 2024
 - Concourse A – Q4 2024
 - Concourse S – Q2 2025

[RETURN TO AGENDA](#)



**COMMISSION
AGENDA MEMORANDUM**

Item No. 8f

ACTION ITEM

Date of Meeting July 11, 2023

DATE : June 20, 2023

TO: Stephen P. Metruck, Executive Director

FROM: Janice Zahn, Chief Engineer, Director Engineering Services
Chris Sherwood, Interim Assistant Director Engineering, Construction Services

SUBJECT: Construction Management Services IDIQ Memo

Amount of this request: \$30,000,000

Total estimated project cost: \$0

ACTION REQUESTED

Request Commission authorization for the Executive Director to execute up to six indefinite delivery, indefinite quantity (IDIQ) consulting agreements for services related to Construction Management Services Portwide, with a cumulative total amount not to exceed \$30 million dollars. Each agreement will have a five-year ordering period. No funding is associated with this request; funding to utilize these agreements will come separately from individual project authorizations.

EXECUTIVE SUMMARY

Within the next five years, over fifty new projects, both at the Seattle Tacoma International Airport, Maritime and Economic Development divisions, and the Northwest Seaport Alliance, are identified as having construction costs over \$300,000 per contract. This excludes larger projects such as Main Terminal Improvement Project, Industrial Waste Treatment Plant, Concourse HVAC Improvement Replacement and Renewal, South Concourse Evolution, Main Terminal Improvement and Baggage Optimization Phase 3, which have or will have project specific agreements. With the anticipated future project workload, IDIQ contracts provide the Port with the flexibility to meet business requirements as they arise by utilizing external consultants to support the Construction Management (CM) department. The specific scope, amounts, and durations of consultant services are established based on projected needs of the Port and the Northwest Seaport Alliance.

This authorization will only authorize the advertisement, procurement and execution of the contracts. A service directive will be issued for each project authorizing the consultant to perform a specified scope of work only after staff has received authorization for the project in accordance with Port policies and procedures. Each agreement/contract will have a five-year ordering period

Meeting Date: July 11, 2023

during which services may be separately authorized. The Port will not issue any service directives in excess of each contract’s value or after expiration of the contract ordering period.

JUSTIFICATION

The Port of Seattle’s existing CM Services IDIQ agreements were executed in 2020 and the contracts are approaching their maximum contract amount. When originally executed, the amount requested was estimated based on projected project needs to provide consultant services for 5 years. Actual project needs have utilized the contracted agreements much sooner than expected. Of the six agreements in place, all but one agreement will be fully utilized by mid-year 2024.

Diversity in Contracting

The intent is to execute up to six contracts with the most qualified firms; however, we will redistribute the awarded contract values should we not receive sufficiently qualified firms without exceeding the combined total \$30M amount. Three agreements valued at \$6 million each will be awarded to the three highest-ranked firms, two agreements valued at \$4.5 million each and one agreement valued at \$3 million to the next highest-ranked firms in order. We anticipate a thirty percent (30%) WMBE aspirational participation goal will be included with each agreement.

DETAILS

Scope of Work

The services required under this agreement are for CM Services in support of various Port projects for the Aviation, Maritime, and Economic Development divisions, and projects related to the Northwest Seaport Alliance. The scope of work may include supporting projects with planning, design, construction and closeout phases of Port major construction or tenant projects, including contracts procured using design-bid-build, design build, progressive design build and general contractor/construction management alternative delivery projects.

ALTERNATIVES AND IMPLICATIONS CONSIDERED

Alternative 1 – Advertise and execute multiple individual project specific contracts.

Cost Implications: Potential impact on project schedules with a strong likelihood of additional project costs due to individualized procurements.

Pros:

- (1) Selecting the best consultant expertise to meet the individual project needs.

Cons:

- (1) This alternative would require the lengthy and costly process of selecting consultants for each project, thus requiring increased lead time, additional management oversight,

Meeting Date: July 11, 2023

additional administrative time in CPO and Construction Management preparation, and increased advertising fees.

- (2) Consulting companies interested in this work would spend more money preparing multiple proposals as part of the selection processes.
- (3) This is not a viable alternative if the Port is committed to best practices for capital project delivery and remaining flexible to meet our business sponsor’s needs.

This is not the recommended alternative.

Alternative 2 – Advertise and execute multiple IDIQ contracts within a single procurement.

Cost Implications: Procurement process costs.

Pros:

- (1) Efficient and effective use of Port staff procuring contracts that address multiple projects.
- (2) Efficient and cost-effective use of consultant resources.
- (3) Provides staffing flexibility that helps meet our business sponsor needs when urgent projects arise.
- (4) Minimizes the risk associated with potential project schedule delays due to staff’s inability to support a construction project.
- (5) Aligns with best business practices for effectively utilizing external consulting firms.

Cons:

- 1) Consultants with subject matter expertise may not be available when project work is requested.

This is the recommended alternative.

Annual Budget Status and Source of Funds

There is no funding request directly associated with this authorization. No work is guaranteed to the selected consultants. The budget for work performed under each agreement will come from individual directives authorizing the consultant to perform specific work on the contract. with approved project authorizations and within the total contract amount.

ATTACHMENTS

None.

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

November 17, 2020 – Construction Management Services IDIQ approved by Commission for \$20 million.

RETURN TO AGENDA



**COMMISSION
AGENDA MEMORANDUM**

Item No. 8g

ACTION ITEM

Date of Meeting July 11, 2023

DATE: July 11, 2023

TO: Steve Metruck, Executive Director

FROM: Pete Ramels, General Counsel
Chris Leopold, Senior Port Counsel

SUBJECT: Commission Authorization to Execute a Lease Termination and Settlement Agreement with Duke’s Shilshole Bay Chowder House LLC

Amount payable to the Port: \$175,000

ACTION REQUESTED

Request Commission authorization for the Executive Director to execute a lease termination and settlement agreement with the Port’s tenant, Duke’s Shilshole Bay Chowder House, LLC (“Duke’s”) which will pay the Port \$175,000 to settle a dispute stemming from Duke’s inability to perform under a ground lease at Shilshole Bay Marina and to terminate the associated lease.

SUMMARY

The Port entered into a 20-year ground lease with Duke’s on May 11, 2017. The lease required Duke’s to construct and operate a high-end seafood restaurant as an amenity at Shilshole Bay Marina. The lease was amended four times to accommodate Duke’s design changes, construction timelines, and to provide COVID-related rent relief. In March 2022, Duke’s notified the Port it could not perform under the ground lease due to high construction costs.

Under the proposed settlement agreement, the Port will receive \$175,000 in consideration for early termination of the lease, and Duke’s and the Port will receive a mutual release from their respective obligations under the ground lease. This will settle the matter without resorting to the further time, expense, and uncertainty of litigation, and promptly pay the Port a reasonable amount.

This matter was discussed in privileged attorney-client communications. This memo has no attachments.

RETURN TO AGENDA

1
2
3 **Order No. 2023-09**
4 **AN ORDER OF THE PORT OF SEATTLE COMMISSION**

5 ... appointing a Public Member to the Port of Seattle
6 Portwide Arts and Culture Board.

7
8 **PROPOSED**
9 **JULY 11, 2023**

10
11 **INTRODUCTION**

12
13 The Portwide Arts and Culture Board recommended to the Commission, during its May 3, 2023,
14 meeting, the appointment of Tamar Benzikry to the Portwide Arts and Culture Board, as a public
15 member for a term of three (3) years. Ms. Benzikry is filling a vacancy created by the resignation
16 of Asia Tail who stepped down on February 13, 2023.

17
18 **TEXT OF THE ORDER**

19
20 The Port Commission, in accordance with the Portwide Arts and Cultural Program Policy
21 Directive, hereby appoints Tamar Benzikry to serve a three-year term as a Public Member on the
22 Portwide Arts and Culture Board, effective July 11, 2023, and ending July 31, 2026.

23
24 **STATEMENT IN SUPPORT OF THE ORDER**

25
26 On November 19, 2019, the Commission adopted Resolution No. 3766 establishing the Portwide
27 Arts and Culture Board to provide guidance, leadership, and support to the Commission in its
28 policy to procure, commission, and incorporate high-quality art that engages the public. The
29 Board is comprised of nine (9) members: two (2) Port Commissioners, three (3) Executive
30 Leadership Team, and four (4) public members appointed by the Port Commission.

31
32 The professional public members are integral to the work done by the Portwide Arts and Culture
33 Board and represent expertise and experience in fine arts, museum management, architecture
34 and/or design.

35
36 Ms. Tamar Benzikry was born and raised in Seattle, where she feels deeply rooted. But as the
37 trilingual daughter of immigrants, she is also engaged with multiple global communities. Her
38 grandfathers were artists - a cantor in Morocco and a painter in Germany. Although she did not
39 know either of them, the melodies and paintings that suffused her childhood home enabled her
40 to hear their voices and understand the power that art has to connect generations across time
41 and geography.

42

43 Ms. Benzikry is a mission-driven curator, cultural strategist, and coalition builder with expertise
44 in public art and community engagement backed by 15 years of arts program management
45 experience.

46

47 She is currently a Principal at Art and Purpose, providing purpose driven consulting services to
48 museums, nonprofits, public/private partnerships and creators. Previously, she served as
49 Curator and Producer for Meta Open Arts (formerly Facebook, Inc) where she commissioned over
50 70 artists to create site-specific artworks in North and South America with a focus on Diversity,
51 Equity, and Inclusion and experimentation; as Senior Public Art Project Manager for 4Culture
52 where she led diverse project teams to develop and deliver high-profile and complex art projects;
53 and as Public Art Coordinator for the City of Bellevue where she developed neighborhood public
54 art programs.

55

56 Ms. Benzikry received her bachelor's degree in art history and Jewish Studies from the University
57 of Washington and received her master's degree in Jewish Art and Visual Culture from Columbia
58 University and Jewish Theological Seminary.



**COMMISSION
AGENDA MEMORANDUM**

Item No. 8i

ACTION ITEM

Meeting Date: July 11, 2023

DATE: June 30, 2023

TO: Stephen P. Metruck, Executive Director

FROM: Kenneth Lyles, Director, Maritime Operations and Security
Darrell Dare, Senior Manager, Recreational Boating
Tim Leonard, Capital Project Manager, Waterfront Project Management

SUBJECT: Harbor Island Marina Dock-E Float and North Pier Improvements Project Additional Construction Funding (C800678)

Amount of this request: \$350,000
Previously authorized: \$5,000,000
Total estimated project cost: \$5,350,000

ACTION REQUESTED

Request Commission authorization for the Executive Director to authorize additional construction funding in the amount of \$350,000 to replenish project contingencies for a total project authorization of \$5,350,000.

EXECUTIVE SUMMARY

This capital improvements construction will replace the southernmost 23 (out of 78 total) existing floats at Dock-E at Harbor Island Marina with heavier duty floats and piles; upgrade the remaining dock portion; and replace the dock’s elevated North Pier structure to restore vehicle access to it. These proposed improvements are needed to increase the dock’s current vessel loading capacity and improve its operational ability to provide moorage for large commercial tug tenants.

On April 11, 2023, the Port Commission authorized the advertisement and execution of a major works construction contract which was subsequently advertised on April 13, 2023. Three bids were received in response to the construction advertisement and opened on May 23rd, 2023. The lowest bid was \$2,991,000 or 13% higher than the Engineer’s Estimate of \$2,649,000. Due to the critical nature of the project schedule, which is driven by the fabrication of long-lead items, and the limited work window allowed for in-water construction, the project proceeded in June with a construction contract award and execution in order to provide the contractor a minimum of five months to procure the materials necessary to subsequently start and complete the first in-water work construction phase within the initial limited 2023-24 window. Missing this window would delay the project by a year and result in additional escalation costs.

Meeting Date: July 11, 2023

The previous total project authorization of \$5,000,000 provided sufficient budget for the higher contract amount and associated sales tax, but the increase had to be offset by reducing contingency to a level deemed sufficient for this type of project but below usual practice. Approval of this additional construction funding request will allow contingency budget to be replenished.

JUSTIFICATION***Dock Structural Integrity***

Originally designed and constructed in 1983 for recreational boats, Dock-E at Harbor Island Marina has been providing moorage for large commercial tugs for over a decade and is currently primarily utilized by long-time commercial tenants Global Diving and Western Towboat, as well as other commercial marine vessel tenants on a more limited basis. As a result of the structural load from heavier vessels, up to 94-ton (gross) and 120-feet in length, much of the dock's piles, walers, cleats, bollards, and pile hoops have been severely worn or damaged and these elements have been repaired or upgraded over the last ten years by Marine Maintenance in a continual effort to extend the dock's capability to accommodate the tenant vessels' berthing needs. Additionally, although many of the original timber guide piles have been replaced with steel piles as part of a facility programmatic replacement, some lower load capacity timber piles remain. These factors have contributed to Dock-E currently functioning with a reduced level of structural integrity as well as requiring a higher rate of repairs and maintenance within its remaining service life.

Economic Impact

This improvement project contributes directly to the jobs engine of the local maritime industry cluster. Tugboats and towboats are an essential component of the maritime sector. As just one measure of this value, the 2015 Ties that Bind report by The McDowell Group found that Seattle and Tacoma continue to serve as the "lifeline" to Alaska as they capture 97% of cargo, by weight, moved between Puget Sound and Alaska. This report examined the array of goods and services that Alaska sources from Puget Sound. It found that in 2013 the total value of those goods and services was \$5.4 billion. Additionally, the more recent 2019 Community Attributes "Tri-Port" Economic Impact study identified tug and barge operators that utilize Port of Seattle facilities dockage and moorage leases generated nearly \$2.4 million in revenue for the Port of Seattle in 2017.

DETAILS***Design and Environmental Sustainability***

The proposed Dock-E Float and North Pier Improvements project was designated a Tier 2 project under the Port's Sustainable Evaluation Framework Policy Directive. As presented to the Energy and Sustainability committee in 2021, the project team explored material alternatives to minimize adverse environmental impacts, while still meeting determined design goals and

Meeting Date: July 11, 2023

objectives. Accordingly, the project’s proposed environmentally beneficial improvements include the following:

- Existing treated timber piles to be eliminated will reduce water quality impacts;
- New steel piles and dock floats framework to be epoxy coated (rather than galvanized) to reduce leaching of zinc into waterways;
- Fiberglass grated decking on new dock floats to allow light penetration to the water below while maintaining ADA accessibility; and
- High-density polyethylene (HDPE) pipe filled with buoyant foam material to provide increased durability and corrosion resistance.

Permitting

The following required permits have been issued for the project:

- State Environmental Policy Act - Determination of Non-Significance
- Washington Dept. of Fish and Wildlife - Hydraulic Project Approval
- SDCI - Shoreline Substantial Development Permit
- SDCI – Construction Permit

The following required permit is currently under review:

- USACE Section 10 Permit: The required USACE Section 10 permit is pending approval. Port Environmental staff are currently in negotiation with the tribes, as well as in discussions with USACE and National Marine Fisheries Service, but due to agency backloads and increased regulatory requirements, the in-water permit is not anticipated to be issued until as late as summer 2023.

Construction

Construction will be performed under the awarded and executed major works contract to complete the proposed improvements. All construction work and materials storage will be performed utilizing barges to the degree possible. As required construction materials include new float dock sections and pier structural elements, as well as steel piles, the required fabrication and/or procurement of these will be performed by the contractor.

Diversity in Contracting

The project design has been performed by a consultant engineering firm under an existing Port of Seattle IDIQ contract in which a women and minority owned business enterprise (WMBE) participation commitment of 43% has been established. In coordination with the Port’s Diversity in Contracting Department, a WMBE aspirational goal of 5% has been determined for the project’s construction work.

Scope of Work

The project’s construction scope includes the following improvement elements:

Meeting Date: July 11, 2023

- Complete replacement of 23 (out of 78 total) of Dock-E’s existing float sections with new heavier duty floats, piles, and appurtenances designed for larger vessel berthing and higher load mooring capability. The existing floats to be replaced are located at the south end of Dock-E.
- Refurbishment of 55 (out of 78 total) of Dock-E’s existing float sections consisting of replacing all remaining timber guide piles with higher load capacity steel piles; replacement of damaged walers and cleats; nominal leveling; and concrete surface crack repairs and sealing. The existing floats, to remain in place and be refurbished, comprise the north portion of Dock-E.
- Demolition and replacement of Dock-E’s existing elevated timber North Pier, with a new concrete structure and steel pile, to restore vehicle access to it for loading and unloading purposes.

Schedule

The project construction is planned to be completed in two separate phases for the North Pier and south dock section replacements to maintain moorage (not currently available at other Port facilities) at HIM Dock-E for the existing tenants. In-water work for the project, primarily consisting of dock/pier demolition and pile installation, must be performed during the typical permitting “fish window” of October 1st – February 15th of each year at this location. Additionally, to avoid impacting tribal treaty rights, the in-water work will not start until December 15th of each year.

Given these constraints, in-water work is planned to be performed within two separate abbreviated “fish windows” of December 15 – February 15 in 2023-24 and 2024-25.

Construction Schedule Milestones:

<u>Milestone</u>	<u>Date</u>
Commission construction authorization	4/11/2023
Advertise for construction bids	4/13/2023
Construction bids opening	5/23/2023
Construction Notice of Intent to Award	June 2023
Construction materials procurement start	June 2023
Additional construction funding to supplement contingency (this request)	7/11/2023
Construction NTP issuance	August 2023

Meeting Date: July 11, 2023

<u>Milestone</u>	<u>Date</u>
Phase I construction start	12/15/2023
Phase 2 construction start	12/15/2024
Substantial construction completion	3/31/2025

Cost Breakdown	This Request	Total Project
Design and Permit	\$0	\$1,045,000
Construction	\$350,000	\$4,305,000
Total	\$350,000	\$5,350,000

ALTERNATIVES AND IMPLICATIONS CONSIDERED

Alternative 1: Do not approve the requested additional construction funding authorization.

Pros

- Retains Port capital for other projects and financial initiatives.

Cons

- Need for project contingency could exceed current amount, which would require project to return to Commission, and risk construction delay(s) and increased total cost due to escalation.

This is not the recommended alternative.

Alternative 2: Approve the requested additional construction funding authorization.

Pros

- Provides additional contingency to execute construction change orders without delay in the event a significant issue arises that exceeds budgeted contingency amount.
- Decreases risk of construction schedule delays and additional cost due to escalation.

Cons

- Commits additional Port capital to project.

This is the recommended alternative.

FINANCIAL IMPLICATIONS

Cost Estimate/Authorization Summary	Capital	Expense	Total
COST ESTIMATE			
Estimate at construction funding	\$5,000,000	\$0	\$5,000,000

Meeting Date: July 11, 2023

Current change	\$350,000	0	\$350,000
Revised estimate	\$5,350,000	0	\$5,350,000
AUTHORIZATION			
Previous authorizations	\$5,000,000	0	\$5,000,000
Current request for authorization	\$350,000	0	\$350,000
Total authorizations, including this request	\$5,350,000	0	\$5,350,000

Annual Budget Status and Source of Funds

This project is currently included in the 2024 Capital Plan under C800678 T102 HIM E Dock Rehabilitation for a total project cost of \$5,000,000. This amount will be increased in accordance with the requested authorized \$5,350,000 total cost.

This project is funded by the General Fund.

Financial Analysis and Summary

Project cost for analysis	\$5,350,000
Business Unit (BU)	Maritime Operations & Security
Effect on business performance (NOI after depreciation)	This project is not expected to directly generate incremental revenue. Currently, E Dock generates approximately \$77K in annual revenue. It is estimated this project will increase annual depreciation expense by approximately \$107,000.
IRR/NPV (if relevant)	Payback: 30+ years
CPE Impact	N/A

ATTACHMENTS TO THIS REQUEST

- (1) Presentation slides

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

November 17, 2020 – Commission authorized \$1,045,000 for design funding.

April 11, 2023 - Commission authorized \$3,955,000 for construction funding.

Harbor Island Marina Dock-E Floats & North Pier Improvements

ADDITIONAL CONSTRUCTION FUNDING APPROVAL

July 11, 2023

Authorization Request

HIM Dock-E Floats & North Pier Improvements

Request Commission authorization of additional construction funding in the amount of \$350,000 to replenish project budget contingency for a total project authorization of \$5,350,000.

Construction Bid Summary

- Bids advertised April 13, 2023 and opened May 23, 2023
- Engineer's construction estimate: \$2,649,000
- 3 construction bids received ranging from \$2,991,000 to \$3,798,000
- Prior (at 4/11/23 construction funding authorization) estimated total construction cost: \$3,955,000
- Current estimated total construction cost: \$4,305,000

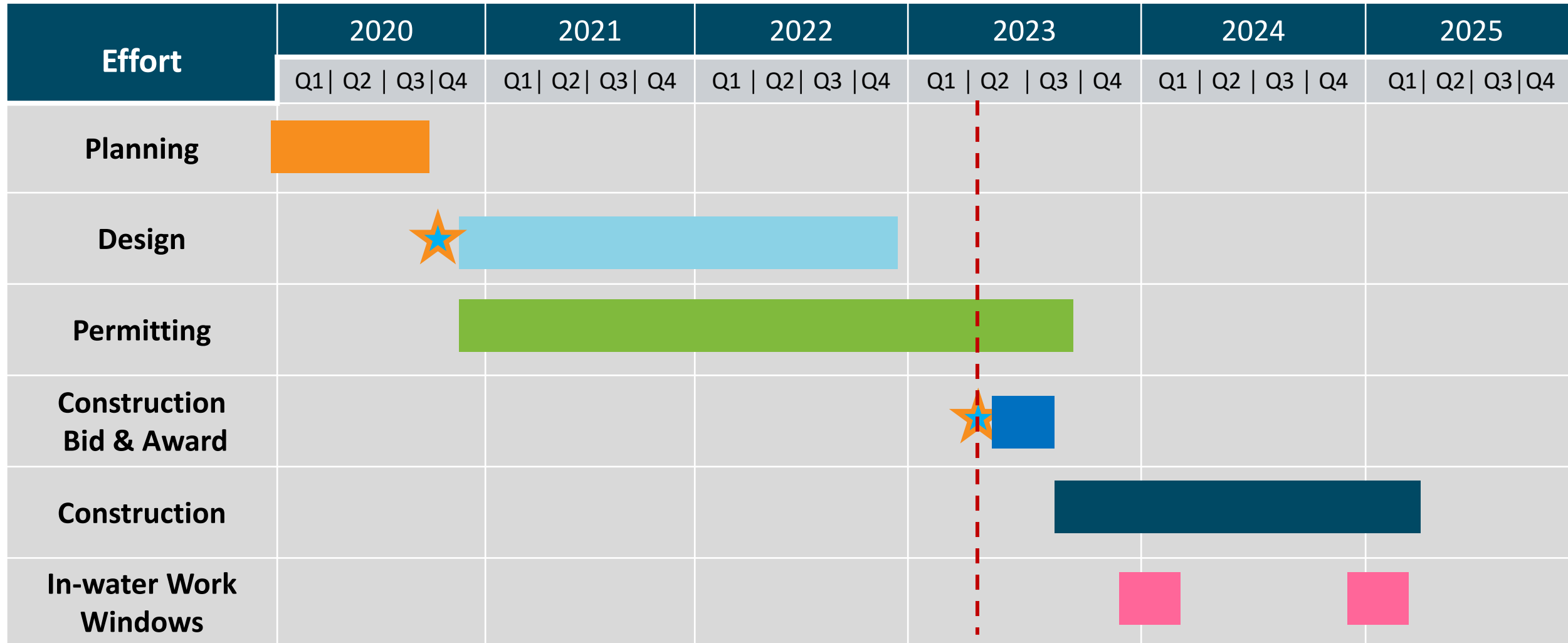
Financial Summary

	This Request	Total Project
Design and Permitting	\$0	\$1,045,000
Construction	\$350,000	\$4,305,000
Total	\$350,000	\$5,350,000

Construction Schedule Milestones

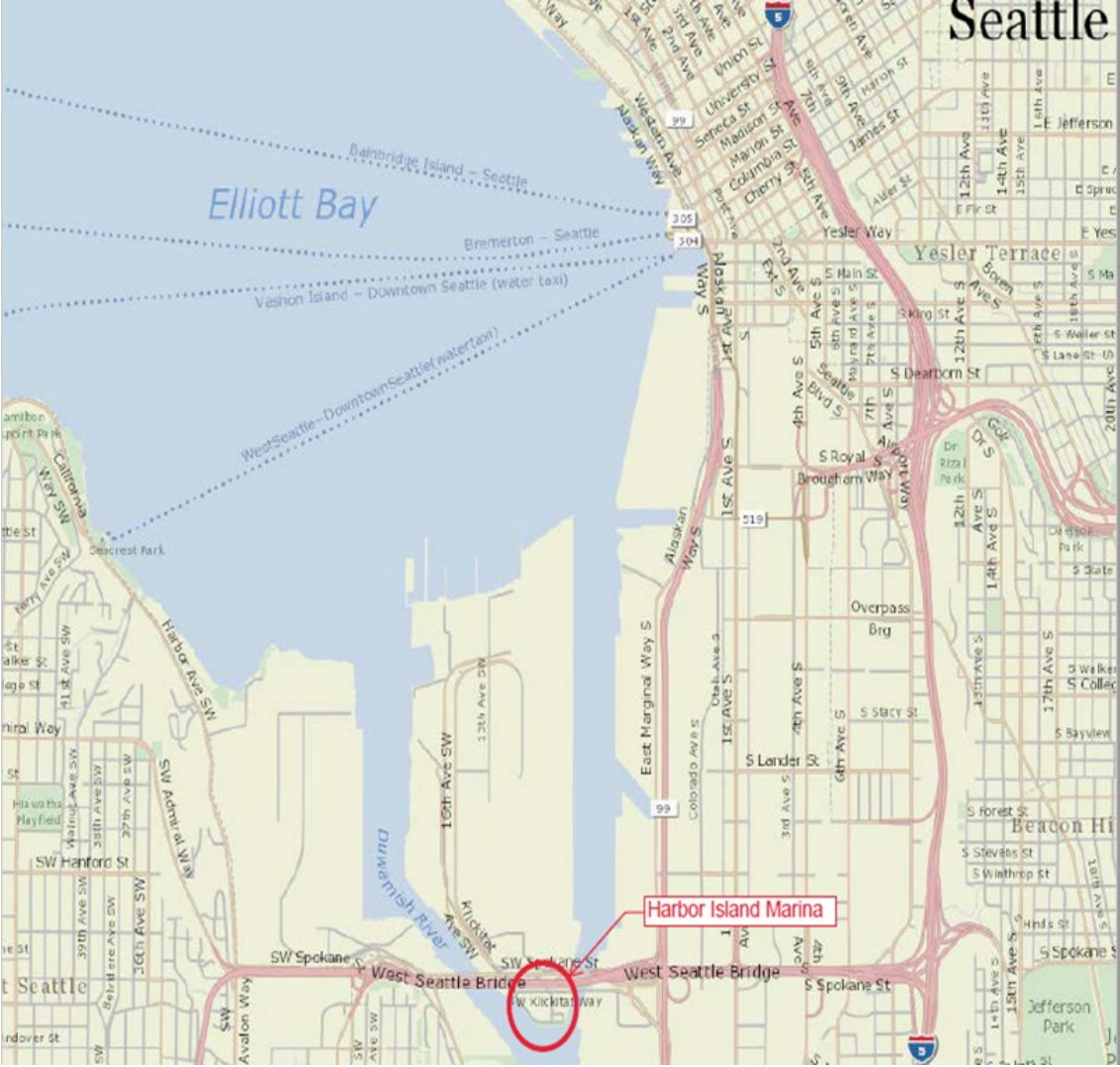
Commission construction authorization	4/11/2023
Advertise for construction bids	4/13/2023
Construction contract execution (enabling start of materials procurement by Contractor)	July 2023
Construction Notice to Proceed issuance	Aug 2023
Phase I construction start	12/15/2023
Phase 2 construction start	12/15/2024
Substantial construction completion	3/31/2025

HIM Dock-E Floats & N. Pier Schedule



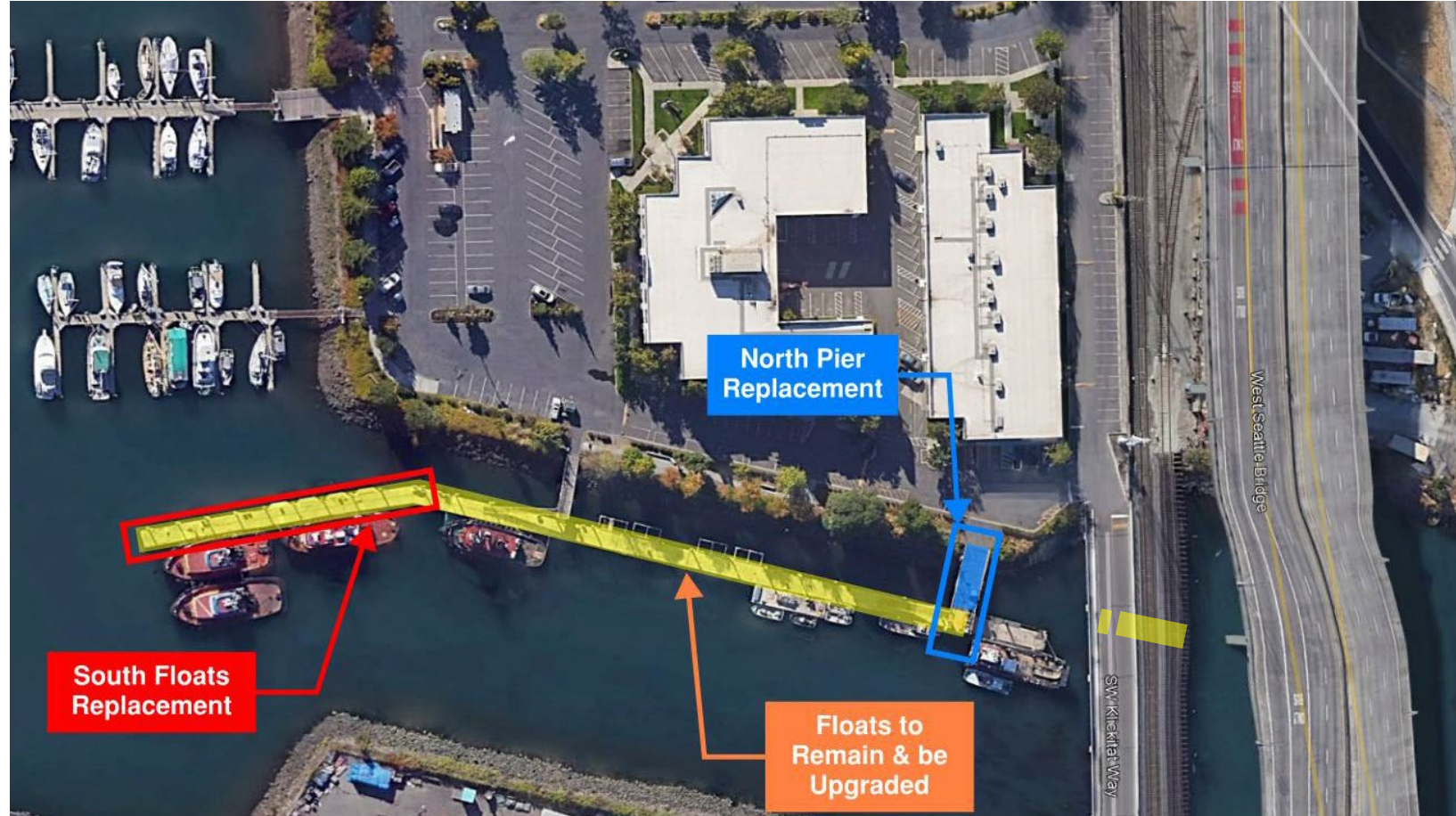
 = Commission Meeting Authorization

Project Location



HIM Dock-E Floats & North Pier Improvements

Scope of Work

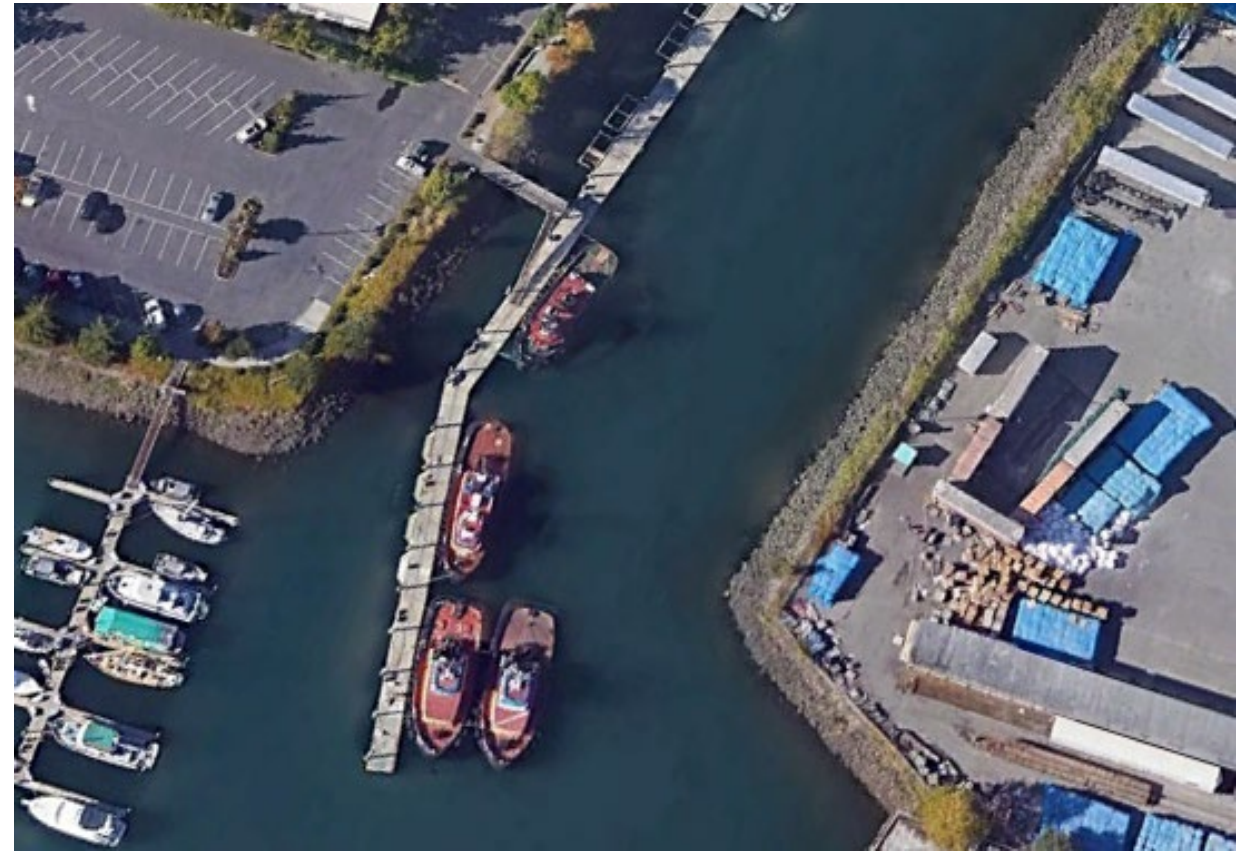




Sustainable Evaluation Framework

- **Designated as Tier 2 project**
- **Sustainability Recommendations (Energy & Sustainability Committee, July 2021) :**
 - Existing treated timber piles to be eliminated, reducing water quality impacts
 - New steel piles and dock floats framework to be epoxy coated (rather than galvanized) to reduce leaching of zinc into waterway
 - Fiberglass grated decking on new dock floats to allow light penetration to the water below while maintaining ADA accessibility
 - High-density polyethylene (HDPE) pipe filled with buoyant foam material to provide increased durability and corrosion resistance

HIM Dock-E Existing Tenant Moorage



[RETURN TO AGENDA](#)

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40

Order No. 2023-10
AN ORDER OF THE PORT OF SEATTLE COMMISSION

...to adopt principles to guide development of Port of Seattle’s environmental land stewardship efforts around trees, forest, and other habitat.

PROPOSED
JULY 11, 2023

INTRODUCTION

This Order contains principles that offer a value statement and guidance for evaluating trade-offs that may arise when considering specific courses of action or projects in the comprehensive approach to Port environmental land stewardship, including protecting and restoring trees, forest, and other habitat. This set of principles ensures strategies, decisions, and actions are consistently coordinated Port-wide for all types of land use.

The Port operates essential transportation infrastructure to ensure the efficient movement of people and goods in the region and must utilize its land for development and operations, which can include tree removal. At the same time, the Port recognizes the importance of balancing our operations with responsible use of resources, related to economic development, transportation, and natural resources.

The Port understands that trees, forest and other habitat provide valuable benefits to the public and the environment. The Port continually strives to go beyond minimum regulatory requirements to address environmental justice, improve environmental health, increase climate resilience, and improve habitat for fish and wildlife.

These principles, in line with the Equity Policy, offer guidance for responsibly stewarding our economic, community, and environmental resources to further improve the livability, accessibility, and environmental health of the region.

TEXT OF THE ORDER

The Port of Seattle Commission hereby adopts the following principles:

- 1. Use a comprehensive approach to environmental land stewardship, including trees, forest, and other habitat.**

- 41 a. Utilize landscape-scale inventory and assessment as the foundation for decision-
42 making to establish benchmarks of existing conditions and natural resources and
43 tailoring stewardship approaches to existing and/or planned land uses.
44 b. Implement stewardship measures across all land use types (restoration sites,
45 parks and open space, development sites, and operating areas), so the Port is
46 consistent in its approach while reflecting site-specific needs.
47 c. Recognize the benefit of trees, forest and other habitat at locations that are
48 publicly accessible or near Port facilities, because those areas provide
49 environmental health and other benefits.
50

51 **2. Maximize opportunities to increase trees, forest and other habitat as part of**
52 **infrastructure planning and design.**

- 53 a. Seek opportunities to expand and connect trees, forest, and other habitat to
54 achieve greater benefits to the community and fish and wildlife. The Port will
55 prioritize opportunities in or adjacent to existing contiguous trees, forest and
56 other habitat.
57 b. If the Port is not able to add trees, forest and other habitat to development sites
58 because of operational or land use standards, then the next consideration is to
59 prioritize opportunities on other Port property that further contribute to the
60 environmental and community benefits.
61

62 **3. Apply an equity and environmental justice lens to environmental land stewardship.**

- 63 a. Prioritize areas identified by the Equity Index as having the greatest need for
64 stewardship actions to provide community benefits such as combatting heat
65 island effects and improving air quality, community resilience, recreational
66 opportunities and mental health.
67 b. In applying an equity lens, consider the historical and cultural value of the site and
68 its assets.
69 c. In applying an equity lens, engage and consult community members to identify
70 their concerns.
71

72 **4. Support Community Partnerships and leverage inter-governmental coordination and**
73 **Port funds to catalyze stewardship processes and outcomes.**

- 74 a. Prioritize expanding and supporting community-led environmental land
75 stewardship opportunities through grants and Port-sponsored events.
76 b. Actively support and participate in regional efforts and methodologies for
77 stewardship of trees, forest and other habitat.
78 c. Coordinate with local governments to conduct the Port's stewardship activities
79 supportive of regional planning, including city and regional tree canopy goals and
80 initiatives.
81 d. Identify opportunities to connect and expand contiguous tree, forest and other
82 habitat across jurisdictions and property owners.
83

84 5. **Use a holistic approach to stewardship to ensure trees, forest, and other habitat are**
85 **healthy and self-sustaining.**

- 86 a. Use a landscape-based approach to stewardship. The Port will use landscape-scale
87 inventory to broadly assess the extent and health of trees, forest, and other
88 habitat supplemented with site-based assessments as appropriate. This approach
89 supports informed decision-making for comprehensively stewarding tree, forest
90 and other habitat across all land uses.
- 91 b. Protect existing high-value resources and enhance impaired resources to support
92 current and future environmental and community benefits. Port operations and
93 development may disrupt trees, however, the Port will explore and prioritize
94 protection over removal and replacement, whenever possible.
- 95 c. Actively steward trees, forest and other habitat to ensure long-term viability to
96 preserve resources.
- 97 d. Emphasize replacing invasive species with diverse, native species to ensure
98 healthy and self-sustaining trees, forest and other habitat.

99
100 **Strategies in Support**

101
102 The Port shall implement the following strategies to build a strong and comprehensive
103 foundation for environmental land stewardship:

104
105 **1. Adopt Aviation (SEA) Land Stewardship Plan**

106 Develop an Aviation (SEA) (Aviation) Land Stewardship Plan by Q4 2023. This plan will
107 recommend Aviation land stewardship goals and prioritized actions that integrate and
108 balance environmental land stewardship with airport operations, planning, and
109 development.

110
111 **2. Adopt Aviation (SEA) Tree Replacement Standards**

112 Port-owned property is subject to tree replacement standards established by the local
113 jurisdictions in which the properties are located. Currently certain Port-owned property
114 within the SEA airport boundary is not subject to City of SeaTac tree replacement
115 standards. SEA tree replacement standards shall be adopted for property under the
116 airport building department jurisdiction pursuant to this Order and the Land Stewardship
117 Plan.

- 118 a. Develop and implement SEA tree replacement standards that meet or go beyond
119 the minimum regulatory requirements of our neighboring jurisdictions.
- 120 b. Ensure continued compliance with city, state, and federal development
121 standards for all operations and development activities.
- 122 c. Ensure development and other land use projects replace cleared trees and forest
123 and identify opportunities for additional types of beneficial habitat such as
124 pollinator meadows and wetlands.

128 3. **Integrate trees, forest, and other habitat stewardship into existing Maritime**
129 **programs.**

130 Maritime currently has a robust program to expand trees, forest and other habitat to yield
131 substantial community as well as fish and wildlife habitat benefits, particularly for
132 endangered salmon and orcas.

133 a. Maritime shall continue to implement the Sustainable Shorelines Program and the
134 Multi-site Mitigation Banking Programs to create additional trees, forest and other
135 habitat.

136 b. Maritime shall continue to enhance and increase trees, forest, and other habitat
137 through maintenance at existing restoration sites and parks.

138 c. Maritime shall continue to seek innovative ways to support restoration of kelp
139 forests and eelgrass beds in collaboration with statewide recovery efforts.

140
141 4. **Sustainable Evaluation Framework Update**

142 For Capital Improvement Projects subject to the Sustainable Evaluation Framework in
143 compliance to Resolution 3768, incorporate consideration of environmental land
144 stewardship into the evaluation framework, including documenting trees, forest and
145 other habitat as part of project evaluations.

146
147
148
149

Environmental Land Stewardship Principles Order



Presented by:

Erica Chung, Commission Strategic Advisor

Chipper Maney, Environmental Program Manager



Introduction

- Guidance to evaluate trade-offs
- Balances Port operations with natural resource stewardship
- Consistently applied Port-wide for all types of land use
- Stewardship benefits communities and the environment
- Stewardship approach is comprehensive

Land Stewardship Benefits



Principles

1. Use a comprehensive approach to environmental land stewardship, including trees, forest, and other habitat.
2. Integrate land stewardship into infrastructure planning and design.
3. Apply an equity and environmental justice lens
4. Support community partnerships and leverage inter-governmental coordination and Port funds to improve stewardship outcomes.
5. Use a holistic ecological approach to stewardship to ensure trees, forest, and other habitat are healthy and self-sustaining.



Strategies

1. Adopt the SEA Land Stewardship Plan
2. Adopt SEA Tree Replacement Standards
3. Integrate land stewardship into existing Maritime programs
4. Update the Sustainable Evaluation Framework



Thank You!

Questions?

[RETURN TO AGENDA](#)



**COMMISSION
AGENDA MEMORANDUM**

Item No. 11a

BRIEFING ITEM

Date of Meeting July 11, 2023

DATE: June 23, 2023

TO: Stephen P. Metruck, Executive Director

FROM: David McFadden, Managing Director, Economic Development Division

SUBJECT: Maritime Blue Annual Report

EXECUTIVE SUMMARY

Four years ago, the Port of Seattle executed a memorandum of understanding (MOU) with Washington Maritime Blue (MB), a new nonprofit organization founded to implement Washington State’s Strategy for the Blue Economy. The Memorandum of Understanding laid out general areas of cooperation and subsequent service contracts have formalized the Port’s partnership with MB on maritime innovation and workforce initiatives.

The MOU and Port service agreements with MB have yielded an effective partnership that is advancing the development of Washington’s Blue Economy. Over the past year, we have jointly launched another successful maritime innovation accelerator, expanded the equity-based youth maritime workforce development initiatives, and initiated other efforts to advance sustainability within the maritime industry.

The partnership to build a Blue Economy is working. Over the next year our priorities include:

- Advancing the maritime innovation accelerator program (our fourth cohort).
- Establishing a new maritime incubator program at Fishermen’s Terminal.
- Operating the Quiet Sound initiative to reduce the impacts to Southern Resident Killer Whales from large commercial vessels.
- Standing up a new Offshore Wind collaborative to support the development of this industry supply chain in Washington State.
- Supporting equitable workforce development internship programs.

MARITIME BLUE PROGRESS AND RESULTS

In 2019, the Port of Seattle helped Washington State develop a compelling long-term strategy for a Blue Economy. It outlined goals to modernize the maritime industry by accelerating its path towards sustainability. By advancing innovation, growing maritime gateways, reducing greenhouse gas emissions, and investing in workforce development, Washington’s maritime industries and communities could prosper.

Maritime Blue, a cluster-based organization born to implement the Blue Economy Strategy. The organization reflects a partnership between private industry, government, education, and

Meeting Date: July 11, 2023

community-based organizations. Maritime Blue has grown significantly over the last four years. It now has 120+ members from national research labs to startups to global technology providers, and community-based workforce partners.

The Port of Seattle has played a pivotal role in the growth and development of Maritime Blue. The Port and Maritime Blue signed a Memorandum of Understanding in July 2019 that formalized our support for the organization and its work to advance the Blue Economy. Subsequent service agreements with Maritime Blue have supported the Maritime Blue Innovation Accelerator and the formation of the Youth Maritime Collaborative and subsequent workforce development initiatives and the Quiet Sound initiative designed to reduce the impacts to Southern Resident Killer Whales from large commercial vessels.

Maritime Blue Innovation Accelerator

MB just finished running its fourth maritime innovation accelerator. Seven companies participated in the program, each considered “VC investment ready” and has become the premiere program now widely considered a world-class program attracting best-in-class maritime, oceans, and fisheries startups.

Initial results from the accelerator are promising:

- Atargis Energy has secured significant non-dilutive funding from public sources.
- Gybe has secured two key demonstration project commitments.
- Berkeley Marine Robotics has secured private investment.
- Dockshare has raised over \$450K in a public campaign.
- Others are currently in the “due diligence” process with venture capital investors.

Maritime Blue’s cadre of mentors is extensive and a key ingredient in the overall success of the accelerator. The program features weekly CEO roundtables with industry experts and hundreds of hours of individual meetings with each company.

To date, MB supported startups have raised more than \$400M in funding and investment and created more than 400 jobs in the region. The marquee Maritime Blue Innovation Accelerator is supplemented by other venture programs including the Tacoma Maritime Blue Incubator, the One Accelerator (for international startups seeking US markets) and the newly established Seattle Maritime Blue Incubator at Fishermen’s Terminal.

Joint Innovation Programs: Quiet Sound & Blue Wind

MB facilitates strategic initiatives, collaborative programs, joint development projects that bring together industry, public sector, research institutions and NGOs to solve critical local challenges, support emerging markets, and demonstrate new technology. Quiet Sound was created with initial support from the Port of Seattle and NWSA to reduce impacts to Southern Resident Killer Whales from large commercial vessels and has been extremely successful in its first two years of operations including the first voluntary slowdown and the implementation of the Whale Report Alert System (WRAS) in WA waters. Blue Wind is the final stage of

Meeting Date: July 11, 2023

development to formally develop and activate an offshore wind supply chain across Washington State through an equitable community benefits lens. Several Joint Innovation Projects (JIP).

Equitable Career Pathways

Efforts to orient young women, low-income youth, and youth of color have progressed because of Maritime Blue's work on the Youth Maritime Collaborative (YMC) and internship programs for youth and early entry young adults into maritime and blue economy careers.

Over the past two years, MB implemented its Youth Maritime Accelerator Project (YMAP). 28 interns from diverse backgrounds participated in eight-week paid internships and received a stipend at the end for their experiences. Youth are able to work with more than 15 maritime employers and participate in several experiential learning events as part of the YMAP.

MB was selected in Fall 2022 to support the Port's Youth Maritime Career Launch initiative and are currently recruiting employers and youth ages 18-24 for full-time internships with the intention to lead towards full-time employment. The first cohort will launch in Fall 2023.

These programs have been supported as well through the City of Seattle, the state's Career Connect Washington initiative and philanthropic funding.

Organization Growth and Development

Maritime Blue has made tremendous strides over the last four years since our Memorandum of Understanding was executed to help jumpstart this new cluster association. The organization has secured significant new grants and private funding to support its key projects and overall mission. Maritime Blue's 22/23 budget is \$2.71 million of which approximately \$750,000 comes from the Port of Seattle through several separate contacts.

This continued partnership between the Port and Washington Maritime Blue helps galvanize the Port's commitment to the values of the State's Strategy for the Blue Economy; A growing maritime and ocean economy, healthy ocean and marine ecosystems, and equitable and resilient communities. The original MOU, coupled with committed funding allows Maritime Blue to utilize its growing network of private industry, public sector, research & academic institutions, and community & workforce organizations deliver our strategic goals to create herein Washington a:

- Thriving Low-Carbon Maritime Industry through Deep Decarbonization;
- Global Innovation Hub through Joint Innovation and Entrepreneurship;
- Green Gateway through Working Waterfronts that create safe jobs support climate and environmental action;
- Diverse and Equitable 21st Century Maritime Workforce; and
- World Class Cluster through a Strategic Alliance for Maritime Innovation and Sustainability.

Meeting Date: July 11, 2023

ATTACHMENTS TO THIS REQUEST

- (1) Presentation slides

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

August 9, 2022 – The Commission authorized two-year contract with Maritime Blue to support innovation accelerator and other key Blue initiatives.

July 13, 2021 - The Commission was briefed on Maritime Blue’s maritime innovation accelerator and other Blue initiatives.

August 4, 2020 – The Commission authorized two-year contract with Maritime Blue to support innovation accelerator and other key Blue initiatives.

July 14, 2020 – The Commission was briefed on Maritime Blue’s inaugural innovation accelerator and other Blue initiatives.

July 23, 2019 – The Commission authorized one-year contract with Maritime Blue to implement priorities established in Memorandum of Understanding.

July 9, 2019 – The Commission authorized executive of Memorandum of Understanding with Washington Maritime Blue to clarify partnership opportunities and responsibilities.

May 14, 2019 – The Commission authorized design funding for the Maritime Innovation Center (Historic Ship Supply Building).

January 8, 2019 – Commission received a briefing regarding Maritime Blue Plan and the Maritime Innovation Center.

Item No.	11a_supp
Date of Meeting	July 11, 2023

Maritime Blue 2023 Annual Report

A Strategic Alliance for Maritime Innovation and a Sustainable Blue Economy



Building a Blue Economy: A Progress Report

Port of Seattle has strong partnership with Washington Maritime Blue:

- Maritime innovation accelerator and incubator
- Maritime Youth Collaborative
- Joint Industry Projects
- Organizational Development and Leadership





Strategic Focus & Leadership in the Blue Economy



This we KNOW

Ocean based solutions and the Blue Economy are critical for addressing the climate crisis while supporting thriving and equitable communities with significant economic opportunities.

HOW we do it

Ocean/Maritime Innovation Clusters activate and catalyze public/private/philanthropic capacity to accelerate innovation, investment, and community development.





Impactful Programs to Accelerate the Blue Economy



Blue Ventures

Supporting Entrepreneurship and Capital Investment for Ocean-based Solutions



Joint Innovation

Collaborative Initiatives and Project Management for Innovation and Development



Equity Engagement

Career Connected Workforce and Employer Development through an Equity Lens



Blue Hub

Home for Facilitation, Convening, Collaboration & Knowledge Sharing



Supporting **entrepreneurs and startups** in maritime, ocean, and related sectors building the Blue Economy





Our Blue Ventures Programs

Our growing innovation programs work to support founders and startups at every stage of their journey.





Blue Venture Programs

Highlights from 2022-2023

- Successful pilot of the **One Ocean Accelerator**
- Completion of the **4th Wave Accelerator**
- Initiating the **Seattle Incubator @ Fishermen's Terminal**

Ahead for 2023-2024

- Close the **Blue Innovation Fund**
- **2nd Cohort One Ocean Accelerator**
- **First year** of Seattle Incubator programs





Blue Innovation Fund

A Strategic Opportunity for Maritime Corporate & Ocean Impact Investors.



Oceans



Maritime



Fisheries



Brock Mansfield
Managing Partner
Blue Innovation Fund



Fund Size: \$20,000,000 USD

2024-2027 Deployment Period

Investing in Maritime Blue Accelerator Cohorts



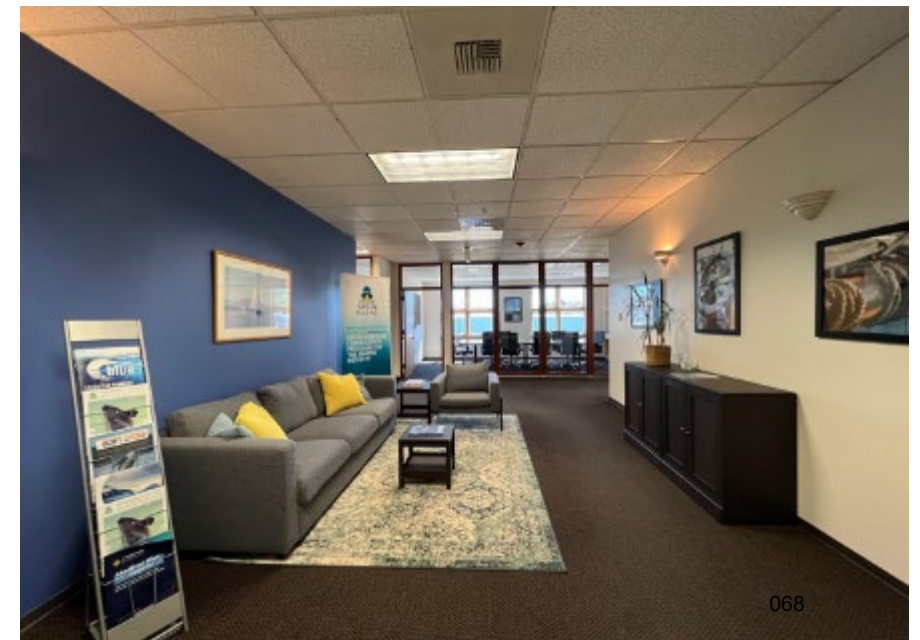


s2s Public Relations

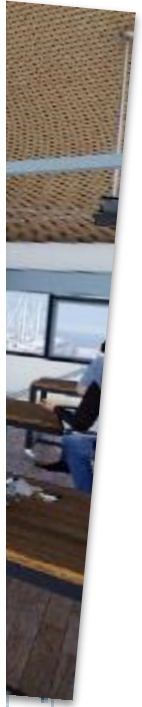
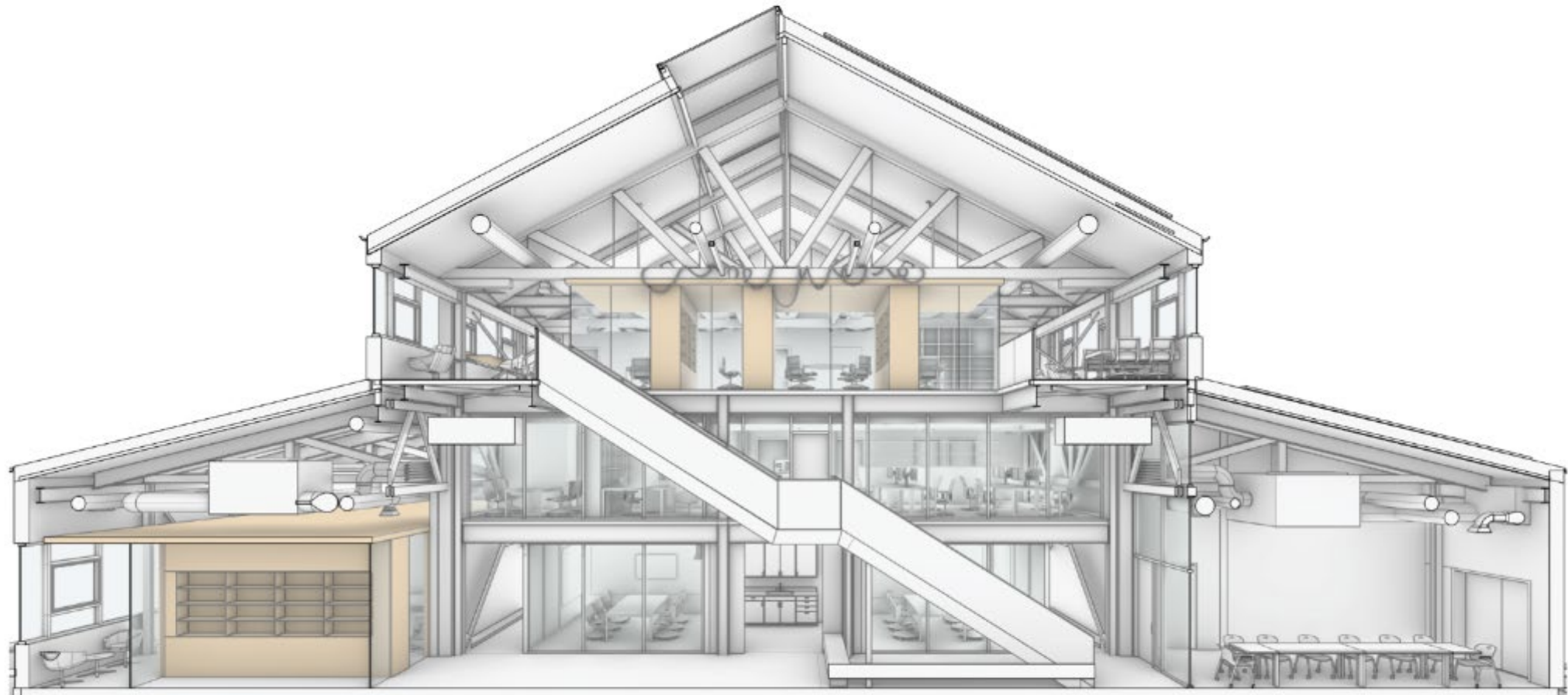


Member Access to:

- Events and Convenings
- Board and small meeting rooms
- Collaborative work space
- Drop-in Executive office space



Maritime Innovation Center





Members come together through **Strategic Initiatives & Joint Innovation Projects** (JIPs) to collaborate and implement key demonstration projects to accelerate Ocean health and the Blue Economy



A Voluntary Program to Reduce the impacts to Southern Resident Killer Whales from large commercial vessels.



A Collaborative Approach to Equitable Benefits from Floating Offshore Wind Supply Chain Development.



Facilitating Port and Maritime Advisory Input for the Pacific Northwest Hydrogen Hub Development.



Supporting the Development of Green Shipping Corridors in the Pacific Northwest.

QUIET SOUND

A collaborative, non-regulatory program to reduce the impacts to Southern Resident Killer Whales from large commercial vessels

Highlights from 2022-2023

- Successful voluntary slowdown with 70% participation and 45% noise reduction
- Increase in WRAS usage and data input with partnership between Canada and US
- Increased support from WA State Legislature

Ahead for 2023-2024

- Year 2 of slowdown with increased monitoring and expanded outreach
- Investing in increase underwater noise sensing capacity
- Research noise profile of tugs and “fast ferries” and explore solutions
- Support USCG Whale Desk and innovative solutions for real time reporting



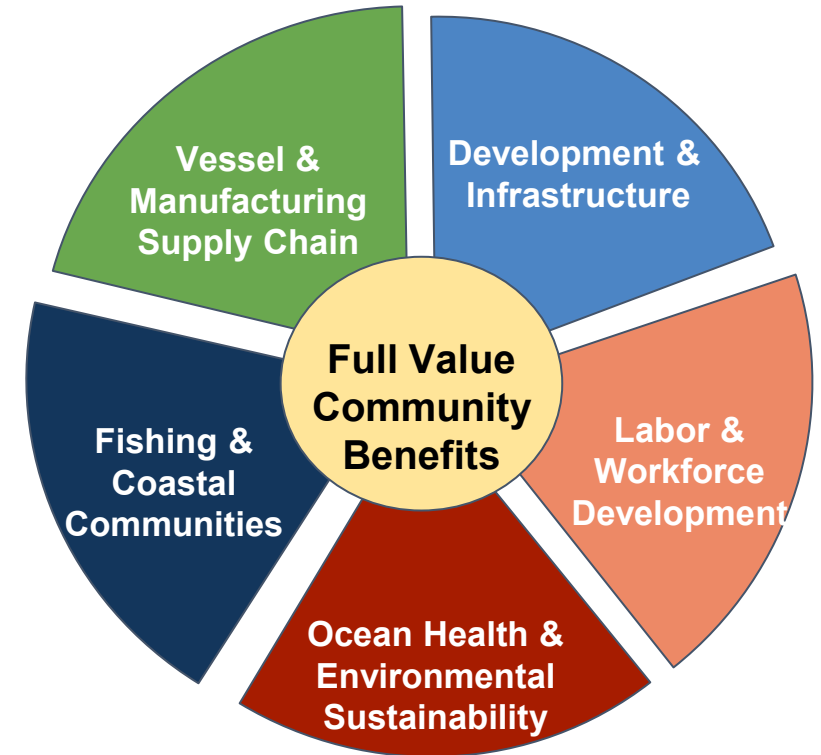


Vision

Identify and Activate Washington's Offshore Wind Supply Chain to Achieve Equitable Community Benefits and support West Coast-wide Offshore Wind Supply Chain Development

Objectives

- Convene the Cluster of activity, stakeholders, and partners
- Through inclusive workshops, studies, and convening, develop a strategy for and activate WA's participation in the West Coast OSW Supply Chain
- Support the development of a West Coast-wide Floating OSW supply chain and, as needed, provide a mechanism for WA's engagement in this conversation





Leadership Committee (7-13)

WA Commerce
Port of Seattle
Blue Green Alliance
Climate Solutions
Renewable NW
Pacific Northwest National Lab
Pacific Marine Energy Center
Washington Maritime Blue



Others

WA Public Ports Association
Business Network for Offshore Wind
PS Ports Labor Council
State Labor Council
Affiliated Tribes for NW Indians
Fishing - WCMAC or SeaGrant

Program Staff

Washington Maritime Blue

Working Groups/Subcommittees



Community Benefits/Engagement



Workforce Development



Supply Chain Mapping



West Coast Collaboration



Ports & Final Assembly



Vessel Needs &
Construction



Economic Cost Benefit
Analysis

Timeline

Aug 2023

Dec 2023

2024

**Establish and Formalize
Leadership Committee and
Structure**

**Host Initial Workshops/Forums
& Publish White Paper**

**Initiate Conversations with
Community Leaders**

**Fund, Commission, & Scope
Necessary Studies**

**Convenings on Community
Benefits from Supply Chain**



Fostering an
equitable and diverse
21st century workforce
through career
connected learning and
employer driven
engagement



The Carrick Bend Knot

Its purpose is to connect two lines of different type and size. It's particularly appropriate for very heavy rope or cable that is too large and stiff to be easily formed into other common bends. It will not jam even after carrying a significant load.



Part of a Global Enterprise for the Blue Economy





Blue Operations

Creating a world-class cluster through a sustainable organization rooted in values of equity and resilience.

Industry Members



Community Partners



A Strategic Alliance for Maritime Innovation and a Sustainable Blue Economy

Research Institutions



Public Partners





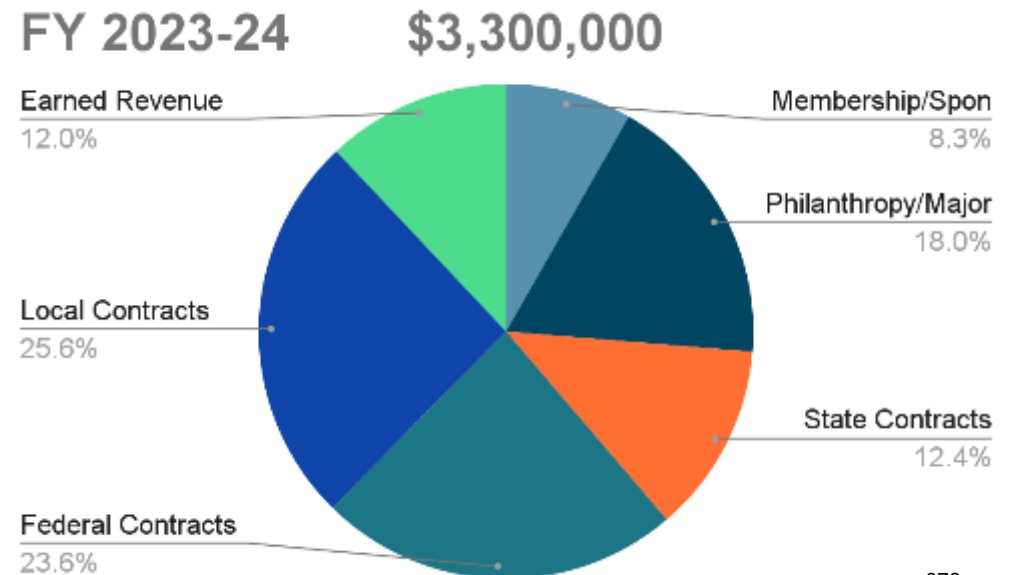
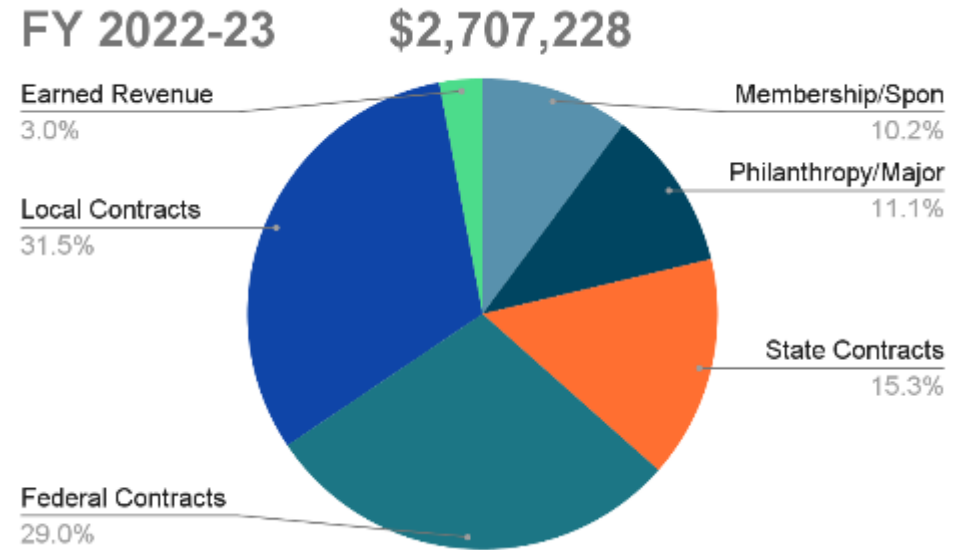
Blue Operations

Highlights from 2022-2023

- New **board leadership** and strategic planning
- Successful **communications and media plan**
- Formation of the **Maritime Blue Foundation**

Ahead for 2023-2024

- Transitioning **finance team** and operations
- Increased engagement with **philanthropy**
- Growth in **event and membership** management





We seek to co-create a workplace culture and community that aligns with the values of the Blue Economy: diversity, equity, inclusion, and health.



Rachel Aronson
Director, Quiet Sound



Joshua Berger
President/CEO



Robert Brown III
Program Manager,
Equity Engagement



Josh Carter
Director, Blue Ventures



Cassidy Fisher
Director,
Joint Innovation



Veasna Hoy
Director,
Equity Engagement



LeAsia Johnson
Manager, Youth Programs



Karina Martija-Harris
Manager, Tacoma
Maritime Incubator



Angel Menchaca
Operations Manager



Caitlin O'Morchoe
Manager, Quiet Sound



Devon Thorsell
VP of Operations



A Strategic Alliance for Maritime Innovation and a Sustainable Blue Economy

[RETURN TO AGENDA](#)

Joshua Berger - President/CEO
joshua@maritimeblue.org

www.maritimeblue.org

[#WaMaritimeBlue](#), [#BuildBackBlue](#)





**COMMISSION
AGENDA MEMORANDUM**

Item No. 11b

BRIEFING ITEM

Date of Meeting July 11, 2023

DATE: July 3, 2023
TO: Stephen P. Metruck, Executive Director
FROM: Bookda Gheisar, Senior Director, Office of Equity, Diversity and Inclusion
Dan Thomas, Chief Financial Officer

SUBJECT: Equitable Spending and Accountability Project (ESAP) Briefing

EXECUTIVE SUMMARY

The purpose of this briefing is to discuss with the Commission the Equitable Spending and Accountability Project (ESAP). Staff would also like to seek the Commission’s feedback on the proposed ESAP pilot program for 2024.

BACKGROUND

During the spring of 2023, a cross-departmental team worked together to develop a definition for equity spending. This team then worked with all departments to conduct an audit of budget items from the past four years to measure the percentage of Port expenses that met the equity spending definition. The team also worked to separate equity spending into distinct categories to tell a more complete story of what investments we are making with the goal of advancing equity, diversity, and inclusion. This work serves as a baseline for tracking our progress in subsequent budget cycles.

For the pilot program, we are collecting information at both the division and department level. Each division will be responsible for identifying and compiling the equity spending in their proposed budgets and reporting it to ELT and Commission as part of their budget presentations. The divisions will also track equity spending during the year and report out annually. This information will be used to help us understand how our budgets are aligning with our equity values and where we are spending money to advance equity.

In addition to tracking equity spending at the division level, all departments must answer several questions about their 2024 budgets. These questions provide insight into how a department’s budget aligns with Equity Goals, who was included in the budget creation process, and what additional support or resources are needed to help departments meet their equity goals.

ATTACHMENTS TO THIS BRIEFING

- (1) Presentation

COMMISSION AGENDA – Briefing Item No. 11b

Meeting Date: July 11, 2023

Page 2 of 2

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

None

Equitable Spending and Accountability Project (ESAP)

Why ESAP?



Equity Policy Directive - Guidance

1. The Executive Director, or a delegate, shall:
 - a. Develop a definition for “**equity-related resources.**” The proposed definition shall be reviewed by Commissioner Mohamed, Commissioner Cho, and the Equity and Workforce Development Committee.
 - b. Calculate and summarize all such equity-related resources in the 2019-2022 Port budgets. These resources shall be calculated as a percent of the total operating budget.
 - c. Propose a structure for communicating and executing a pilot for “equity-related resources” in the 2024 budget to Commissioner Mohamed, Commissioner Cho, and the Equity and Workforce Development Committee before the adoption of the 2024 budget. The results of this pilot shall be considered for further action.

Equity Spending Recommendation

1. Focus on operating costs, as prioritized in EPD.
2. Exclude WMBE spending costs from the final percentage of equity spending.
3. Identify and track levy tax dollars spent on equity.
4. For tracking staff time, identify and track costs only for those staff whose primary responsibilities are equity-focused.

Defining Equity Spending

The Port of Seattle defines *equity spending* as Port investments that:

- 1) Invest directly in structurally excluded communities, either through grants, contracts, programs, sponsorships, or dedicated facilities; OR
- 2) Invests in businesses and individuals outside the Port to help us realize our internal and external equity priorities; OR
- 3) Invests in Port staff whose essential work functions were designed to primarily focused on advancing equity work.

Equity Spending Criteria

If an investment meets one of the definitions, then it must also meet at least one of the key criteria:

- A. Advances diversity for the Port.
- B. Removes systemic barriers for BIPOC or structurally excluded communities to participate in the Port.
- C. Programs and funding that were developed through direct engagement with communities, and/or communities been consulted in design of the program.
- D. Has a demonstrable impact in quality of life for BIPOC or structurally excluded communities.
- E. Was intentionally designed to have a positive impact in BIPOC or structurally excluded communities.
- F. Achieves our environmental justice goals and removes barriers for BIPOC or structurally excluded communities to live and enjoy a healthy environment.

Methodology for Initial Analysis

- Established a baseline using the past 4 years of spending
- Used direct, clear definition of equity to analyze spending; only included spending that is easily accessible to ensure repeatability
- Spending include staff costs only for FTEs whose primary functions are equity-focused
- Engaged all Divisions in this analysis

2	Contact	Category	Equity Definition	Division	Item	Op/Non-Op	2019 E	2020 E	2021 E	2022 E
29	Sally	Engagement	1, C	Corporate	Parks/parks renaming	Op	0	49,999	0	0
30	Sally	Community Investments	2, A, B, C, D, E	Corporate	SKCCIF Community Capacity Building Contracts (Alma Villegas Consulting, Siliana Consulting)	Op	23,746	101,275	45,508	29,247
31	Pearse/ Bookda	Community Investments	1, A, B, C, D, E, F	Corporate	South King County Community Impact Fund	Op		80,000	848,296	1,080,127
32	Sally	Community Investments	2, A, B, C, D, E	Corporate	Duwamish Valley Community Equity Program - Community Capacity Building Contract and Green Jobs Program	Op	0	117,807	245,689	372,582
33	Dave	WMBE Investments	1, A, B, D, E	Economic Development	Community Business Connector (formerly Regional Small Business)	Op	0	0	0	0
34	Dave	WMBE Investments	1, A, B, D, E	Economic Development	Diversity in Contracting (exclude staff costs)	Op	197,332	210,401	321,875	415,833
35	David	Engagement	1, A, B, D, E	Economic Development	Duwamish River Community Hub - Facility Management	Op	0	0	19,542	60,000
36	Sandy/Sarah C	Environmental Justice		Maritime	Climate and Sustainability	Op	\$329,522	\$154,955	\$195,723	\$227,383
37	Sally	Engagement	1, A, B, C, D, E	Corporate	Duwamish Valley Community Hub (total of two Depts - ER, Mar ENV)	Op	0	0	48,407	80,100
38	Sandy/Sarah Cox	Environmental Justice	1, F	Aviation	Noise	Capital	400,872	326,754	414,025	430,249

Equity Spending Summary

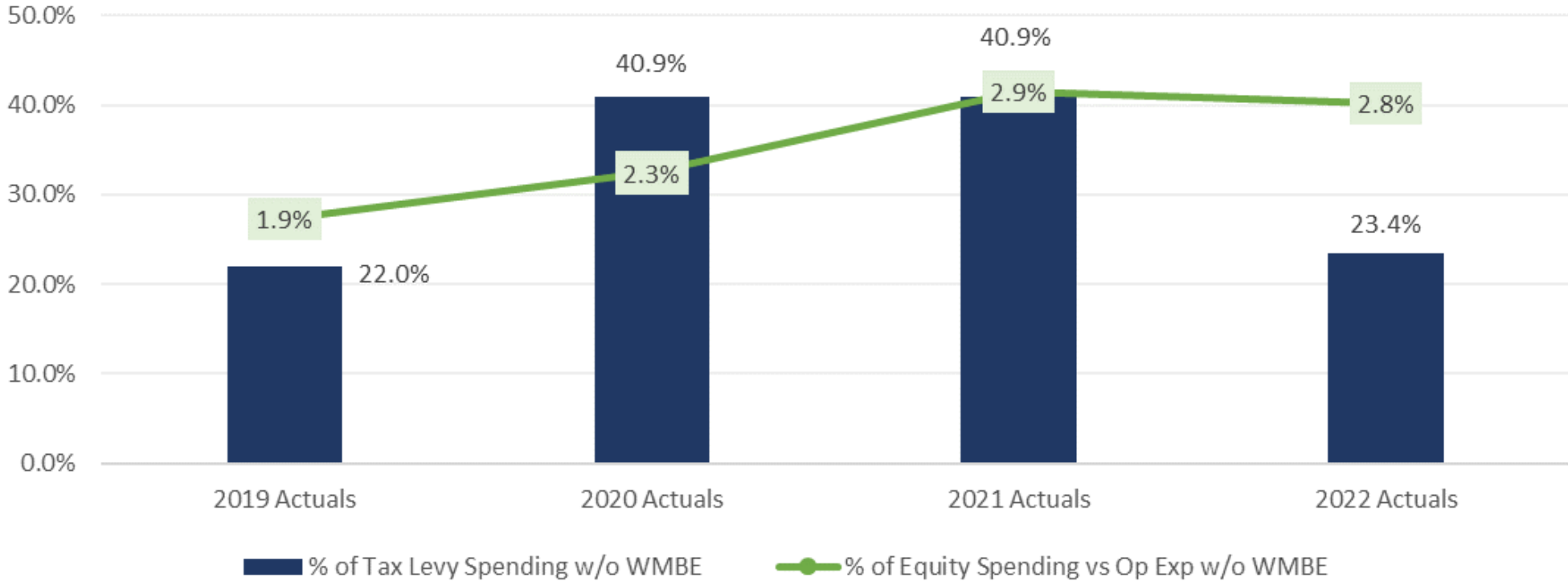
(Focusing on Operating Expenses w/o WMBE)

<i>In 000's</i>	2019 Actuals	2020 Actuals	2021 Actuals	2022 Actuals
Operating Expenses	458,112	425,904	422,372	491,377
Equity Spending Op Exp	8,746	9,669	12,245	13,824
% of Equity Spending vs Op Exp	1.9%	2.3%	2.9%	2.8%
Levy Op Exp Spending	1,922	3,958	5,008	3,234
% of Tax Levy Spending	22.0%	40.9%	40.9%	23.4%

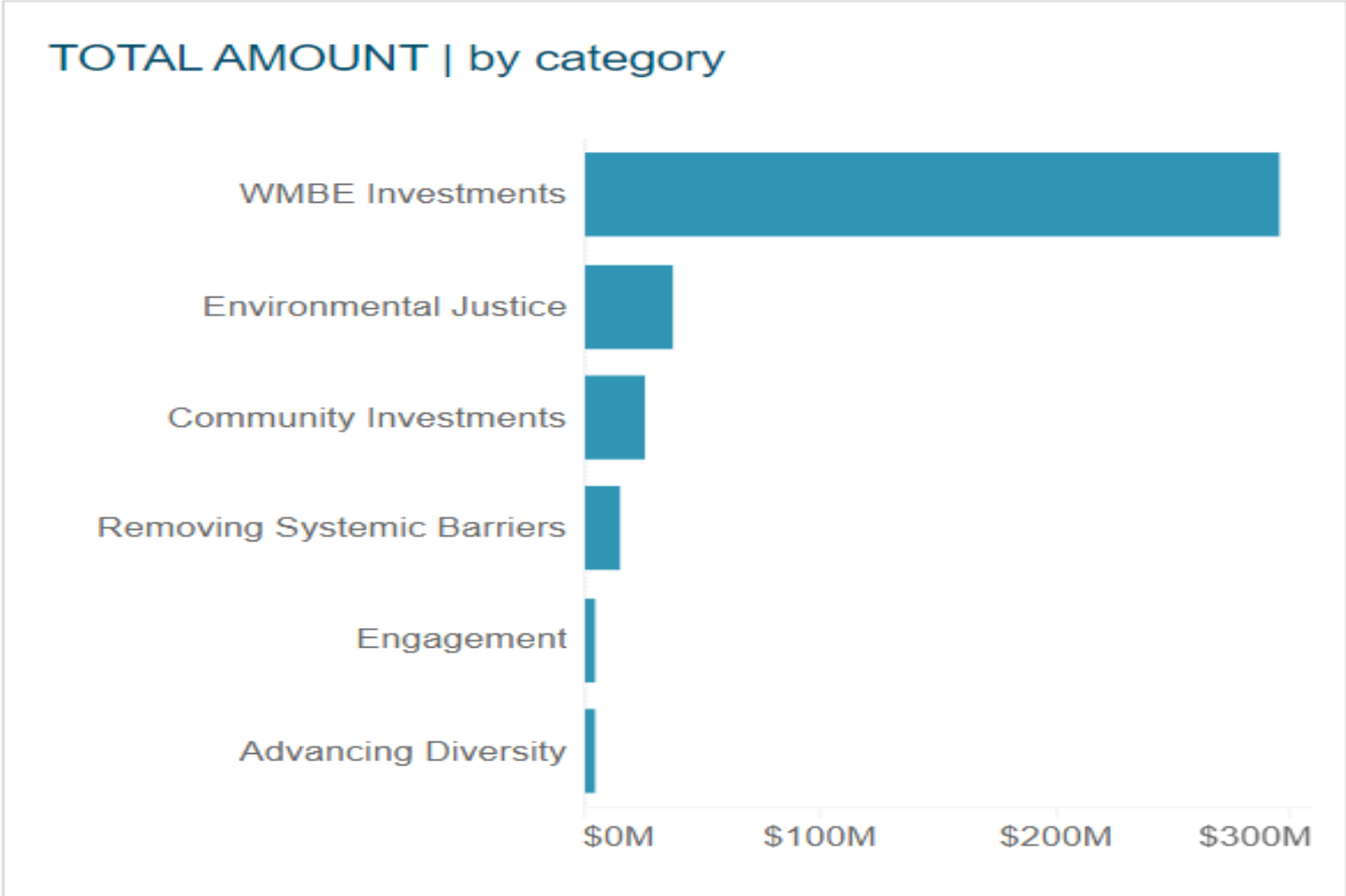
Note: The increase of % of Tax Levy Spending from 2019 to 2020 was mainly due to the new Opportunity Youth Initiative (OYI) spending in 2020. The decrease of % of Tax Levy Spending from 2021 to 2022 was mainly due to delay of OYI spending in 2022.

Equity Spending Summary

(w/o Capital & WMBE)



Equity Spending Summary



Next Steps

Embed ESAP into the Port's Equity in Budgeting Playbook

Brief Commission and secure their support to pilot the program

Share dashboard and narrative about this work internally and externally

Piloting ESAP

- Based on the actual equity spending items from 2019 to 2022 identify baseline for equity spending and track progress
- New/additional resources will be identified and reviewed as part of the new budget requests
- Continue to separate operating, capital, and non-op spending items
- Continue to separate WMBE spending budget/actual from the totals
- F&B will track all the equity spending budget items

Piloting ESAP

- The Budget & Equity Committee and OEDI have revised the Equity in Budgeting Playbook to provide divisions and departments with instructions for using an equity lens in their 2024 budget process.
- No reporting on equity spending is required in department budget presentations. Equity spending will be tracked and reported on the division level.
- The divisions will be responsible for identifying and compiling the equity spending in their proposed budgets and reporting it to ELT and Commission as part of their budget presentations. The divisions will also track equity spending during the year and report out annually.

Equity Spending Pilot

Included in the 2024 Equity In Budgeting Playbook

For Operating Divisions

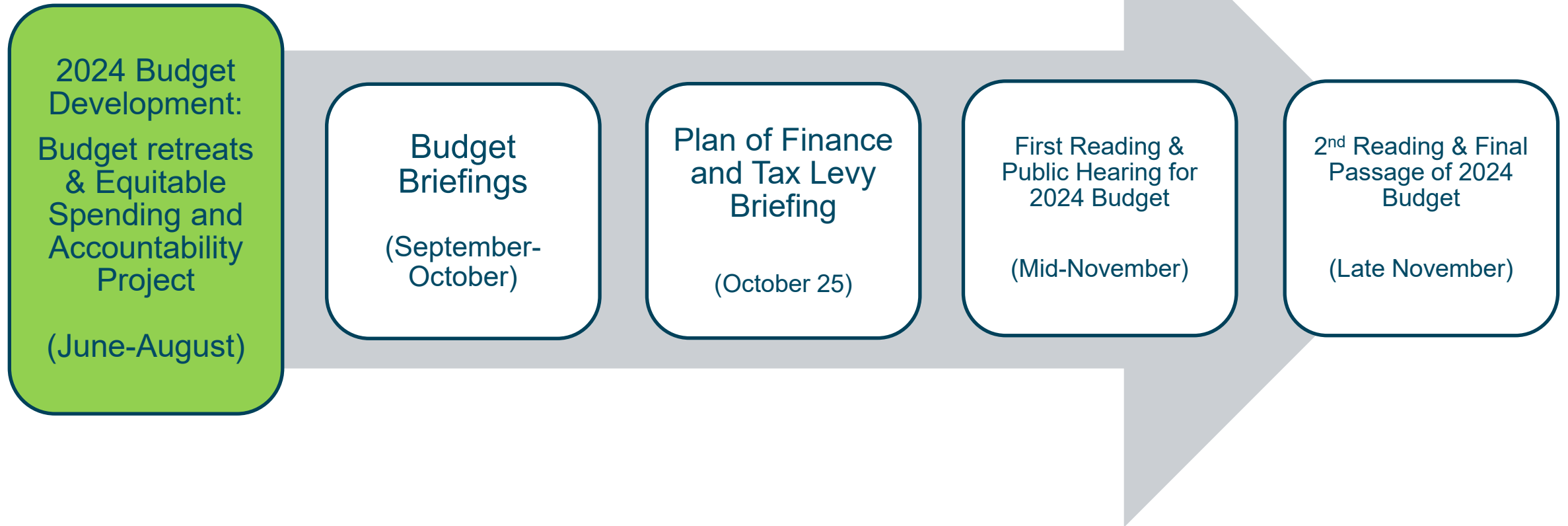
- Step 1- Equity Definition for spending
- Step 2- Category- if your budget item meets one of the 3 elements of the definition above then please select the category that fits your proposed item.
- Step 3 – Answer the following questions related to your 2023 and 2024 budgets:
 1. Did you have difficulty spending your budgeted equity dollars in 2023? And if so why?
 2. How did your division choose to prioritize equity programs with the available budget?
 3. How did you engage with staff and/or community during the budget process?
 4. What new items have you added related to Equity, Diversity, and Inclusion in your 2024 budget (new requests and baseline budget)?

For Departments

Please answer the following questions.

1. Select your division
2. Which Department(s) are you answering for?
3. How does your proposed budget align with your department's draft annual equity goals?
4. OEDI is offering a comprehensive suite of training and learning opportunities for Port employees. Does your department need additional or specialized training that OEDI is not currently offering? If so, please propose this cost in your budget asks.
5. Has the external training, education, and development for all team members been discussed and taken into consideration in your proposed budget?
6. How did you engage with your department's staff, other Port staff, and/or external stakeholders or communities during the budget process?

2024 Budget Process



Questions and Discussion

[RETURN TO AGENDA](#)