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)*

8c. Monthly Notification of Prior Executive Director Delegation Actions June 2023. *(memo enclosed – No action, for information only)*

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)*

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)*

8g. Authorization for the Executive Director to Execute a Lease Termination and Settlement Agreement with Duke’s Shilshole Bay Chowder House LLC. *(memo enclosed)*

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)*

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)*
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. (memo and presentation enclosed) [p.81]

12. QUESTIONS on REFERRAL to COMMITTEE and CLOSING COMMENTS

13. ADJOURNMENT
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:

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

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.
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:

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

<table>
<thead>
<tr>
<th>Category of Approval</th>
<th>Request#</th>
<th>Description of Approvals June 2023</th>
<th>Category Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Projects &amp; Associated Contracts</td>
<td>686-2023</td>
<td>GIS Infrastructure Refresh Project Approval</td>
<td>$640,000.00</td>
</tr>
<tr>
<td>Projects &amp; Associated Contracts</td>
<td>655-2023</td>
<td>Project Increase of $260,000 for current construction estimate. Purchase and install up to 13 large Surface Hubs for several Port locations.</td>
<td>$260,000.00</td>
</tr>
<tr>
<td>Projects &amp; Associated Contracts</td>
<td>545-2023</td>
<td>Increase contract amount for data collection contractor services</td>
<td>$350,000.00</td>
</tr>
<tr>
<td>Projects &amp; Associated Contracts</td>
<td>704-2023</td>
<td>Project Funding for Construction &amp; use of Port Crews. T86 Park Lift Station Replacement.</td>
<td>$1,500,000.00</td>
</tr>
<tr>
<td>Projects &amp; Associated Contracts</td>
<td>748-2023</td>
<td>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</td>
<td>$1,000,000.00</td>
</tr>
<tr>
<td>Port divisions and the Northwest Seaport Alliance</td>
<td>Request authorization to advertise and execute a mobility services contract for the provision of wheelchair and mobility assistance services for airport customers.</td>
<td>$1,900,000.00</td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
<td></td>
</tr>
<tr>
<td>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.</td>
<td>$1,750,000.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Additional Amount needed for existing project to cover Tax Obligation for POSPD public safety bomb robot</td>
<td>$10,000.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Authorization for Waste Pumping and Disposal Services</td>
<td>$1,700,000.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TSA Exit Lane Staffing Support Request - to reimburse the STAC (Seattle Tacoma Airline Consortium) for providing personnel for this purpose.</td>
<td>$1,300,000.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>LOA with SEA Tower, updating an agreement that outlines procedures and responsibilities for personnel responding to airport and aircraft emergencies.</td>
<td>$0.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contract Authorization for Multiple Year JAVA Licenses</td>
<td>$380,000.00</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Non-Project Procurement of Goods & Purchased Service Contracts, Other Contracts, & Tenant Reimbursement

<table>
<thead>
<tr>
<th>Request for Amending Fedresults Inc (i.e., Alteryx) Contract: C-00321149 PO: C-0000291625 by $15k</th>
<th>634-2023</th>
<th>$15,000.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>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</td>
<td>681-2023</td>
<td>$1,000,000.00</td>
</tr>
</tbody>
</table>

Real Property Agreements

<table>
<thead>
<tr>
<th>No Approvals in June</th>
<th>N/A</th>
<th></th>
</tr>
</thead>
</table>
| Utilization of Port Crews

| No Approvals in June | N/A | |

Sale of Surplus Port Property

| Request Approval to Dispose and or sell 40 Fleet Vehicles and Tools | 734-2023 | $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.
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.
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,
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.
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

<table>
<thead>
<tr>
<th>Activity</th>
<th>This Request</th>
<th>Total Project</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction start</td>
<td>2022 Quarter 4</td>
<td></td>
</tr>
<tr>
<td>Final in-use date</td>
<td>2025 Quarter 2</td>
<td></td>
</tr>
</tbody>
</table>

Cost Breakdown

<table>
<thead>
<tr>
<th>Cost Breakdown</th>
<th>This Request</th>
<th>Total Project</th>
</tr>
</thead>
<tbody>
<tr>
<td>Design</td>
<td>$0</td>
<td>$2,697,000</td>
</tr>
<tr>
<td>Construction</td>
<td>$4,685,000</td>
<td>$16,429,000</td>
</tr>
<tr>
<td>Total</td>
<td>$4,685,000</td>
<td>$19,126,000</td>
</tr>
</tbody>
</table>

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.
FINANCIAL IMPLICATIONS

### Cost Estimate/Authorization Summary

<table>
<thead>
<tr>
<th></th>
<th>Capital</th>
<th>Expense</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>COST ESTIMATE</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Original estimate</td>
<td>$9,880,000</td>
<td>$0</td>
<td>$9,880,000</td>
</tr>
<tr>
<td>Previous changes – net</td>
<td>6,416,000</td>
<td>$145,000</td>
<td>$6,561,000</td>
</tr>
<tr>
<td>Current change</td>
<td>$2,685,000</td>
<td>0</td>
<td>$2,685,000</td>
</tr>
<tr>
<td>Revised estimate</td>
<td>18,981,000</td>
<td>$145,000</td>
<td>$19,126,000</td>
</tr>
<tr>
<td><strong>AUTHORIZATION</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Previous authorizations</td>
<td>$14,296,000</td>
<td>$145,000</td>
<td>$14,441,000</td>
</tr>
<tr>
<td>Current request for authorization</td>
<td>$4,685,000</td>
<td>0</td>
<td>$4,685,000</td>
</tr>
<tr>
<td>Total authorizations, including this request</td>
<td>18,981,000</td>
<td>$145,000</td>
<td>$19,126,000</td>
</tr>
<tr>
<td>Remaining amount to be authorized</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
</tbody>
</table>

### 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

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Project cost for analysis</td>
<td>$19,126,000</td>
</tr>
<tr>
<td>Business Unit (BU)</td>
<td>Airfield Apron Area</td>
</tr>
<tr>
<td>Effect on business performance (NOI after depreciation)</td>
<td>NOI after depreciation will increase due to inclusion of capital (and operating) costs in airline rate base.</td>
</tr>
<tr>
<td>IRR/NPV (if relevant)</td>
<td>N/A</td>
</tr>
<tr>
<td>CPE Impact</td>
<td>$0.07 in 2025</td>
</tr>
</tbody>
</table>

### 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.
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

<table>
<thead>
<tr>
<th>Construction Package 1</th>
<th>Phase 1</th>
<th>Concourse C Ramp and Interior</th>
<th>Completed 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authorized May 2016</td>
<td>Phase 3</td>
<td>South Concourse Interior</td>
<td>Completed 2017</td>
</tr>
<tr>
<td></td>
<td>Phase 4</td>
<td>Concourse D Interior</td>
<td>Completed 2017</td>
</tr>
<tr>
<td></td>
<td>Phase 6</td>
<td>Bag Claim; Bagwell; Gina Marie Lindsey Hall</td>
<td>Completed 2017</td>
</tr>
</tbody>
</table>

| Construction Package 2 | Phase 2 | Concourse A, B, D, South Satellite Exterior | Completed 2018 |
| Authorized Aug 2017    | Phase 5 | Central Terminal; Ticketing               | Completed 2018 |

| Construction Package 3 | Phase 7 | Passenger Loading Bridges at Concourses A, B, C, D and S Satellite | Construction Underway |
| Authorized Feb 2021    |         |                                                              |

| Construction Package 4 | Phase 8 | Passenger Loading Bridges at North Satellite | Today's Request |
| Requesting Authority Today |        |                                              |

| Construction Package 4 | Phase 8 | Passenger Loading Bridges at North Satellite | Today's Request |
| Requesting Authority Today |        |                                              |

| Construction Package 4 | Phase 8 | Passenger Loading Bridges at North Satellite | Today's Request |
| Requesting Authority Today |        |                                              |
# Overview of Project Cost Increases

<table>
<thead>
<tr>
<th>August 2014</th>
<th>May 2016</th>
<th>February 2021</th>
<th>Today’s Request</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Budget Incr.</strong></td>
<td>$796,000</td>
<td>$5,765,000</td>
<td>$2,685,000</td>
</tr>
<tr>
<td><strong>Total Budget</strong></td>
<td>$10,676,000</td>
<td>$16,441,000</td>
<td>$19,126,000</td>
</tr>
</tbody>
</table>

### Cost Drivers

**August 2014**
- Initial authorization

**May 2016**
- Scope addition: added more antennas to fill in coverage gaps found during surveys

**February 2021**
- PLB design/construction complexities
- Scope addition: added North Concourse PLB Wi-Fi to the project (formerly part of NorthSTAR program)

**Today’s Request**
- 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

<table>
<thead>
<tr>
<th></th>
<th>Current</th>
<th>Increase</th>
<th>New</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Budget</strong></td>
<td>$16,441,000</td>
<td>$2,685,000</td>
<td>$19,126,000</td>
</tr>
<tr>
<td><strong>Authorization</strong></td>
<td>$14,441,000</td>
<td>$4,685,000</td>
<td>$19,126,000</td>
</tr>
</tbody>
</table>
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
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
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,
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, within the 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.
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.
Order No. 2023-09

AN ORDER OF THE PORT OF SEATTLE COMMISSION

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

PROPOSED

JULY 11, 2023

INTRODUCTION

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

TEXT OF THE ORDER

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

STATEMENT IN SUPPORT OF THE ORDER

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

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

Ms. Tamar Benzikry was born and raised in Seattle, where she feels deeply rooted. But as the trilingual daughter of immigrants, she is also engaged with multiple global communities. Her grandfathers were artists - a cantor in Morocco and a painter in Germany. Although she did not know either of them, the melodies and paintings that suffused her childhood home enabled her to hear their voices and understand the power that art has to connect generations across time and geography.
Ms. Benzikry is a mission-driven curator, cultural strategist, and coalition builder with expertise in public art and community engagement backed by 15 years of arts program management experience.

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

Ms. Benzikry received her bachelor’s degree in art history and Jewish Studies from the University of Washington and received her master’s degree in Jewish Art and Visual Culture from Columbia University and Jewish Theological Seminary.
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.
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
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:
• 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:

<table>
<thead>
<tr>
<th>Milestone</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commission construction authorization</td>
<td>4/11/2023</td>
</tr>
<tr>
<td>Advertise for construction bids</td>
<td>4/13/2023</td>
</tr>
<tr>
<td>Construction bids opening</td>
<td>5/23/2023</td>
</tr>
<tr>
<td>Construction Notice of Intent to Award</td>
<td>June 2023</td>
</tr>
<tr>
<td>Construction materials procurement start</td>
<td>June 2023</td>
</tr>
<tr>
<td>Additional construction funding to supplement contingency (this request)</td>
<td>7/11/2023</td>
</tr>
<tr>
<td>Construction NTP issuance</td>
<td>August 2023</td>
</tr>
</tbody>
</table>
**Milestone** | **Date**
---|---
Phase I construction start | 12/15/2023
Phase 2 construction start | 12/15/2024
Substantial construction completion | 3/31/2025

**Cost Breakdown**

<table>
<thead>
<tr>
<th></th>
<th>This Request</th>
<th>Total Project</th>
</tr>
</thead>
<tbody>
<tr>
<td>Design and Permit</td>
<td>$0</td>
<td>$1,045,000</td>
</tr>
<tr>
<td>Construction</td>
<td>$350,000</td>
<td>$4,305,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$350,000</strong></td>
<td><strong>$5,350,000</strong></td>
</tr>
</tbody>
</table>

**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**

<table>
<thead>
<tr>
<th></th>
<th>Capital</th>
<th>Expense</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>COST ESTIMATE</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Estimate at construction funding</td>
<td>$5,000,000</td>
<td>$0</td>
<td>$5,000,000</td>
</tr>
</tbody>
</table>
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

<table>
<thead>
<tr>
<th></th>
<th>This Request</th>
<th>Total Project</th>
</tr>
</thead>
<tbody>
<tr>
<td>Design and Permitting</td>
<td>$0</td>
<td>$1,045,000</td>
</tr>
<tr>
<td>Construction</td>
<td>$350,000</td>
<td>$4,305,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$350,000</strong></td>
<td><strong>$5,350,000</strong></td>
</tr>
</tbody>
</table>
## Construction Schedule Milestones

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commission construction authorization</td>
<td>4/11/2023</td>
</tr>
<tr>
<td>Advertise for construction bids</td>
<td>4/13/2023</td>
</tr>
<tr>
<td>Construction contract execution (enabling start of materials procurement by Contractor)</td>
<td>July 2023</td>
</tr>
<tr>
<td>Construction Notice to Proceed issuance</td>
<td>Aug 2023</td>
</tr>
<tr>
<td>Phase I construction start</td>
<td>12/15/2023</td>
</tr>
<tr>
<td>Phase 2 construction start</td>
<td>12/15/2024</td>
</tr>
<tr>
<td>Substantial construction completion</td>
<td>3/31/2025</td>
</tr>
</tbody>
</table>
# HIM Dock-E Floats & N. Pier Schedule

<table>
<thead>
<tr>
<th>Effort</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
<th>2025</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Q1</td>
<td>Q2</td>
<td>Q3</td>
<td>Q4</td>
<td>Q1</td>
<td>Q2</td>
</tr>
<tr>
<td>Planning</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Design</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Permitting</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construction Bid &amp; Award</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construction</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>In-water Work Windows</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- Planning: 2020 Q1
- Design: 2021 Q2, 2022 Q1, 2023 Q2, 2024 Q2, 2025 Q1
- Permitting starts in 2022 Q2 and continues through 2024 Q3
- Construction Bid & Award in 2024 Q2
- Construction: 2025 Q1, 2025 Q2
- In-water Work Windows in 2025 Q3, 2025 Q4

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

2. Maximize opportunities to increase trees, forest and other habitat as part of infrastructure planning and design.
   a. Seek opportunities to expand and connect trees, forest, and other habitat to achieve greater benefits to the community and fish and wildlife. The Port will prioritize opportunities in or adjacent to existing contiguous trees, forest and other habitat.
   b. If the Port is not able to add trees, forest and other habitat to development sites because of operational or land use standards, then the next consideration is to prioritize opportunities on other Port property that further contribute to the environmental and community benefits.

3. Apply an equity and environmental justice lens to environmental land stewardship.
   a. Prioritize areas identified by the Equity Index as having the greatest need for stewardship actions to provide community benefits such as combatting heat island effects and improving air quality, community resilience, recreational opportunities and mental health.
   b. In applying an equity lens, consider the historical and cultural value of the site and its assets.
   c. In applying an equity lens, engage and consult community members to identify their concerns.

4. Support Community Partnerships and leverage inter-governmental coordination and Port funds to catalyze stewardship processes and outcomes.
   a. Prioritize expanding and supporting community-led environmental land stewardship opportunities through grants and Port-sponsored events.
   b. Actively support and participate in regional efforts and methodologies for stewardship of trees, forest and other habitat.
   c. Coordinate with local governments to conduct the Port’s stewardship activities supportive of regional planning, including city and regional tree canopy goals and initiatives.
   d. Identify opportunities to connect and expand contiguous tree, forest and other habitat across jurisdictions and property owners.
5. **Use a holistic approach to stewardship to ensure trees, forest, and other habitat are healthy and self-sustaining.**

   a. Use a landscape-based approach to stewardship. The Port will use landscape-scale inventory to broadly assess the extent and health of trees, forest, and other habitat supplemented with site-based assessments as appropriate. This approach supports informed decision-making for comprehensively stewarding tree, forest and other habitat across all land uses.

   b. Protect existing high-value resources and enhance impaired resources to support current and future environmental and community benefits. Port operations and development may disrupt trees, however, the Port will explore and prioritize protection over removal and replacement, whenever possible.

   c. Actively steward trees, forest and other habitat to ensure long-term viability to preserve resources.

   d. Emphasize replacing invasive species with diverse, native species to ensure healthy and self-sustaining trees, forest and other habitat.

**Strategies in Support**

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

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

2. **Adopt Aviation (SEA) Tree Replacement Standards**
   
   Port-owned property is subject to tree replacement standards established by the local jurisdictions in which the properties are located. Currently certain Port-owned property within the SEA airport boundary is not subject to City of SeaTac tree replacement standards. SEA tree replacement standards shall be adopted for property under the airport building department jurisdiction pursuant to this Order and the Land Stewardship Plan.

   a. Develop and implement SEA tree replacement standards that meet or go beyond the minimum regulatory requirements of our neighboring jurisdictions.

   b. Ensure continued compliance with city, state, and federal development standards for all operations and development activities.

   c. Ensure development and other land use projects replace cleared trees and forest and identify opportunities for additional types of beneficial habitat such as pollinator meadows and wetlands.
3. Integrate trees, forest, and other habitat stewardship into existing Maritime programs.

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

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

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

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

4. Sustainable Evaluation Framework Update

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

- **ENVIRONMENTAL JUSTICE**
  - Shared green space
  - Open recreation areas
  - Equity

- **HUMAN HEALTH**
  - Better air quality
  - Combat urban heat islands
  - Builds community resilience

- **HABITAT**
  - Fish and wildlife productivity
  - Biodiversity
  - Stream and wetland buffers

- **BIOLOGY**
  - Better water quality
  - Connectivity
  - Hydrology
  - Nutrient Cycle

- **CLIMATE**
  - Reduce impacts of greenhouse gases
  - Carbon sequestration
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?
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
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
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.
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.
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
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
Blue Ventures

Supporting entrepreneurs and startups in maritime, ocean, and related sectors building the Blue Economy
Our Blue Ventures Programs

Blue Innovation Accelerator

Tacoma & Seattle Incubators

One Ocean Accelerator

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

4 Month Mentor-based Innovation Accelerator

One Year Incubators in Tacoma & Seattle

12 week program for International startups for WA/US market entry
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.

Fund Size: $20,000,000 USD
2024-2027 Deployment Period
Investing in Maritime Blue Accelerator Cohorts

Brock Mansfield
Managing Partner
Blue Innovation Fund
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.**
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
Framework (DRAFT)

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
Creating a world-class cluster through a sustainable organization rooted in values of equity and resilience.
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.
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
PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

None
Equitable Spending and Accountability Project (ESAP)
Why ESAP?

**COMMITMENT TO EQUITY**
Applying an equity framework to our budgeting allows us to target our strategies and invest where the needs are greatest, in employees and in community partnerships.

**ACCOUNTABILITY**
Our budget is both a fiscal and moral document. It reflects our priorities and values – both to the communities we serve and our internal community. The budget is critical to how we operationalize our values.

**INNOVATION**
Applying an equity frame to our budgeting allows for innovation and adaptability. This allows us to be responsive as we become a pro-equity and anti-racist organization.

**TRANSPARENCY**
Our leadership's commits to showing how we are progressing and changing as an organization as we work to prioritize equity. This means that we are upfront about both our success and our struggles.
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
Equity Spending Summary
(Focusing on Operating Expenses w/o WMBE)

<table>
<thead>
<tr>
<th>In 000's</th>
<th>2019 Actuals</th>
<th>2020 Actuals</th>
<th>2021 Actuals</th>
<th>2022 Actuals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Expenses</td>
<td>458,112</td>
<td>425,904</td>
<td>422,372</td>
<td>491,377</td>
</tr>
<tr>
<td>Equity Spending Op Exp</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>% of Equity Spending vs Op Exp</td>
<td>1.9%</td>
<td>2.3%</td>
<td>2.9%</td>
<td>2.8%</td>
</tr>
<tr>
<td>Levy Op Exp Spending</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>% of Tax Levy Spending</td>
<td>22.0%</td>
<td>40.9%</td>
<td>40.9%</td>
<td>23.4%</td>
</tr>
</tbody>
</table>

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)
Next Steps

1. Embed ESAP into the Port’s Equity in Budgeting Playbook
2. Brief Commission and secure their support to pilot the program
3. 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.
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

2024 Budget Development:
Budget retreats & Equitable Spending and Accountability Project
(June-August)

- Budget Briefings
  (September-October)

- Plan of Finance and Tax Levy Briefing
  (October 25)

- First Reading & Public Hearing for 2024 Budget
  (Mid-November)

- 2nd Reading & Final Passage of 2024 Budget
  (Late November)
Questions and Discussion