



P.O. Box 1209
Seattle, Washington 98111
www.portseattle.org
206.787.3000

APPROVED MINUTES COMMISSION REGULAR MEETING SEPTEMBER 24, 2019

The Port of Seattle Commission met in a regular meeting Tuesday, September 24, 2019, in the International Auditorium at Seattle-Tacoma International Airport, Seattle, Washington. Commissioners Bowman, Calkins, Felleman, and Steinbrueck were present. Commissioner Gregoire was excused.

1. CALL to ORDER

Pursuant to Article IV, Section 8, of the commission bylaws, the meeting convened at 11:06 a.m. to conduct an executive session.

2. EXECUTIVE SESSION pursuant to RCW 42.30.110

The notice posted during the executive session included three matters related to litigation and legal risk. The time for reconvening was posted as 12:00 noon, in accordance with commission bylaws and the public meeting notice previously published. Following the executive session, which lasted approximately 53 minutes, the public meeting reconvened at 12:09 p.m. Commissioner Bowman led the flag salute.

3. APPROVAL of the AGENDA

Without objection, the preliminary agenda was approved without revisions.

4. EXECUTIVE DIRECTOR'S REPORT

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

5. PUBLIC COMMENT

Public comment was received from the following individual(s) regarding the Airport Community Ecology (ACE) Fund:

- Grace Stiller, President, Weed Warriors Nature Stewards Program
- John Feeny, President, New Start Community Garden
- Jordan Louie, Director of Philanthropy, YMCA of Greater Seattle
- Hien Kieu, Executive Director, Partner In Employment
- Kelly Steffen, Grant and Program Coordinator, Environmental Science Center
- Linda Farnsworth, playground equipment grant writer, Gregory Heights PTSA.
- Amanda León, Parks Director, Normandy Park

Additional public comment was received from the following individual(s):

- David Goebel, President, Vashon Island Fair Skies, regarding Vashon Island noise.
- J.C. Harris, Seatacnoise.info, regarding airport community noise installation projects.

In lieu of spoken comment, the following individual(s) submitted written materials, which are attached as indicated below:

- Llewelyn G. Pritchard, President, Allied Arts Foundation, regarding the Port Wide Arts and Culture Program policy directive, minutes [Exhibit A](#).
- Tyna Ontko, teacher, Pratt Fine Arts Center, regarding the Port Wide Arts and Culture Program policy directive, minutes [Exhibit B](#).
- Rebecca Blanchard, Co-director, Stonington Gallery, regarding the Port Wide Arts and Culture Program policy directive, minutes [Exhibit C](#).
- Erin Weible, Engagement Director, Microsoft Art Collection, regarding the Port Wide Arts and Culture Program policy directive, minutes [Exhibit D](#).
- Rose Clark, Des Moines Memorial Drive Preservation Association, regarding the Airport Community Ecology (ACE) fund, minutes [Exhibit E](#).
- Roger and Marlys Seeman, members, Magnolia Church of Christ, regarding the lease to the City of Seattle for temporary housing at Interbay Village, minutes [Exhibit F](#).
- Lindsay Butler, member, Magnolia Church of Christ, regarding the lease to the City of Seattle for temporary housing at Interbay Village, minutes [Exhibit G](#).

6. UNANIMOUS CONSENT CALENDAR

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

- 6a. Authorization for the Executive Director to execute a contract for a provider of Transportation Security Administration background checks for Sea-Tac airport badge holders. The contract will be executed for up to a ten-year period and an estimated value of \$1,000,000.**

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

- 6b. Authorization for the Executive Director to (1) proceed with the Server Virtualization Upgrade project; (2) execute a contract for equipment and vendor implementation services; (3) and use Port staff for implementation for a total project cost not to exceed \$368,000 (CIP #C801142).**

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

- 6c. Authorization for the Executive Director to execute a new collective bargaining agreement between the Port of Seattle and Teamsters Local 117 representing Employee Parking Bus Drivers and Parking Service Revenue Representatives in our Aviation Landside Operations Department, covering the period from June 1, 2018, through May 31, 2022.**

Request document(s) included an agenda [memorandum](#), [draft bargaining agreement](#), and [agreement redline](#).

- 6d. Authorization for the Executive Director to: (1) execute a construction contract with the low responsive and responsible bidder for the Restroom Renovation Concourses B, C, and D Project at Seattle-Tacoma International Airport, notwithstanding the low bid exceeded the engineer's estimate by more than 10 percent, and (2) authorize an additional \$1,200,000 for a total project authorization of \$17,792,000 (CIP #C800697).**

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

- 6e. Authorization for the Executive Director to execute the second amendment to the ground lease with Duke's Shilshole Bay Chowder House LLC to change the following: (1) to increase the square footage of the amended ground lease by 1,178 square feet for a total of 9,200 square feet; (2) to increase the base monthly rent during the construction phase from \$3,216/month to \$4,188/month and during the post-construction phase from \$12,864/month to \$14,753/month; (3) to defer payment of the post-construction phase rent from December 1, 2019, to May 1, 2021; and (4) extend the term of the agreement to April 30, 2041.**

Request document(s) included an agenda [memorandum](#), [presentation slides](#), [draft amendment](#), and [site plan](#).

The motion for approval of consent items 6a, 6b, 6c, 6d, and 6e carried by the following vote:

In favor: Bowman, Calkins, Felleman, Steinbrueck (4)

Absent for the vote: Gregoire

7. SPECIAL ORDERS of BUSINESS

7a. Salmon-Safe Recertification Presentation to Maritime Division.

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

Presenter(s): Jane Dewell, Senior Environmental Program Manager and Ellen Southard, Puget Sound Manager, Salmon-Safe.

The standards developed by the Salmon Safe organization support habitat and water quality improvements. The Port of Seattle's maritime parks and public access areas first attained Salmon Safe certification in 2008. Properties are re-assessed every five years. This review involved a site visit, a report on the previous certification cycle, and recommendations for the next five-year cycle.

7b. Airport Community Ecology Fund Briefing.

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

Presenter(s): Andy Gregory, Environmental Engagement Program Manager, and Ali Yeates Lakehart, Senior Project Manager-Green Cities, Forterra.

The Airport Community Ecology (ACE) fund is divided into two programs: the small matching grants program for small-scale, community-based projects, which is administered directly by the port, and participation in the Green City Partnership Program for large-scale projects and urban forest management, which is administered through a contract with Forterra.

The Green City Partnership program is comprised of 15 cities and King County. The process involves collection of baseline data regarding the tree canopy and creation and implementation of a plan, followed by monitoring and adapting to progress. This process is currently underway for Burien, Des Moines, and the City of SeaTac.

The small matching grants program has distributed \$240,000 for 28 individual projects across 20 organizations. Projects include urban forest restoration, parks improvement, environmental education, waste reduction and recycling, and access to healthy food. Challenges to the success of the program include burdens posed by the state's matching funds requirement, the application process, and cultural barriers regarding the messaging of the program's focus on ecology. The Office of Equity, Diversity, and Inclusion is conducting an equity evaluation to restructure the program for better service to historically under-represented communities. Government Relations plans to address the matching requirement via advocacy in the state legislature.

8. AUTHORIZATIONS and FINAL ACTIONS

- 8a. Authorization for the Executive Director to advertise and execute a major works construction contract for installation of Advanced Visual Docking Guidance Systems for gates on Concourses B, C, D, and the South Satellite at the Seattle-Tacoma International Airport. This authorization request is for \$24,654,000 (CIP #C800779).**

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

Presenter(s): Robert Kikillus, Airport Operations Development Manager, and Chris Coulter, Capital Project Manager.

The SafeDock system is a digital docking system for aircraft. It displays information needed to turn the aircraft quickly and accurately to avoid collisions and near-misses on the airfield. A laser scanner and video camera monitor gate operations. In addition to improved safety, the system will increase gate efficiency by reducing turn time. The authorization provides funds needed to install 75 units and connect to the central database. Airline support for this project is strong.

The motion for approval of agenda item 8a carried by the following vote:

In favor: Bowman, Calkins, Felleman, Steinbrueck (4)

Absent for the vote: Gregoire

- 8b. Authorization for the Executive Director to execute a management services contract for up to 10 years [a 5-year contract base with option(s) to extend for an additional 5 years], to operate the port's common-use premium lounges at Seattle-Tacoma International Airport. The estimated contract cost to the port is \$60,000,000 over the 10-year contract term, which includes the management fee, incentive management fee, and operating expenses.**

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

Presenter(s): James Jennings, Senior Manager, Aviation Properties, and Denise Trogdon, Aviation Property Manager.

Sea-Tac airport has two common use lounges; one at Concourse A and one at the South Satellite. These lounges are important to international carriers because there is not space available for every international airline to have their own lounge, and premium lounges are important to international carriers to attract high-value passengers. These lounges are used by domestic passengers outside international use peak times. A management services contract is a more hands-on approach than a concession agreement, and is financially beneficial for the port.

Significant capital investment in these lounges has not yet been necessary, but may be needed in the future to maintain and expand the spaces.

The motion for approval of agenda item 8b carried by the following vote:

In favor: Bowman, Calkins, Felleman, Steinbrueck (4)

Absent for the vote: Gregoire

8c. Authorization for the Executive Director to approve the action to execute a contract for natural gas supply to the Seattle-Tacoma International Airport for facility heating and for compressed natural gas fleet fuel.

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

Presenter(s): Mike Tasker, Senior Manager, Aviation Facilities and Infrastructure, and Keith Warner, Aviation Utility Business Manager.

The current natural gas supply contract expires on October 31, 2019. The upcoming long-term renewable natural gas supply contract will not cover the full requirements for heating and fleet fuel.

The motion for approval of agenda item 8c carried by the following vote:

In favor: Bowman, Calkins, Felleman, Steinbrueck (4)

Absent for the vote: Gregoire

8d. Authorization for the Executive Director to execute multiple contracts for: (1) marketing and advertising; (2) in-terminal entertainment; (3) music program; (4) mobile ordering and delivery software applications along with the associated hardware; (5) quality assurance/customer service; all in support of the Airport Dining and Retail Program, and (6) concessionaire ad hoc expenditures. The value for all contracts will not exceed an estimated \$10,000,000 over five years with the funding to come from the Airport Dining and Retail Tenant Marketing Fund plus the port's contribution of \$1,142,500 to the Music Program.

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

Presenter(s): Dawn Hunter, Senior Manager, Airport Dining and Retail.

The tenant marketing fund supports advertising for Airport Dining and Retail (ADR) tenants, in-terminal entertainment and ADR events, the airport music program, quality assurance, and other expenditures as need arises. The increased funds will enable expansion of the music program, a mystery shopper initiative, and a mobile ordering app. This fund also pays for in-terminal cultural events.

The motion for approval of agenda item 8d carried by the following vote:

In favor: Bowman, Calkins, Felleman, Steinbrueck (4)

Absent for the vote: Gregoire

9. PRESENTATIONS, REPORTS, and STAFF BRIEFINGS

9a. 2020 Central Services Preliminary Budget Briefing.

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

Presenter(s): Dan Thomas, Chief Financial Officer; Michael Tong, Director, Corporate Budget and Finance; and Krista Sadler, Director, ICT Technology Delivery.

The 2020 budget for central services was summarized. Resources are allocated according to key organizational objectives. Goals are aligned with the Long Term Plan and Century Agenda. A zero-based approach to analyzing spending plans was used. Strategies include requiring re-approval for positions vacant longer than one year and examination of spending trends to reduce underspending and develop realistic spending plans.

New full time employee (FTE) positions, the operating budget, and capital expenditures were summarized, along with an analysis of projected net operating income. Budget highlights included a net increase of 33 FTEs and a total operating expense increase of 8.1 percent.

Commissioners requested more information regarding extended position vacancies and a comparison of 2018 budgeted and actual numbers.

RECESSED and RECONVENED

The meeting was recessed at 3:31 p.m. and reconvened at 3:38 p.m., chaired by Commissioner Bowman, and the Commission advanced to consideration of –

9b. 2019 Port of Seattle Affirmative Action Plan.

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

Presenter(s): Cynthia Alvarez, Senior Manager, Employee Relations, and Sanders Mayo, Senior Employee Relations Consultant.

The affirmative action plan exists to ensure that good faith efforts are taken to recruit, hire, and retain qualified women and minorities, and ensure employee demographics are consistent with the availability of qualified women and minorities. Key results of the 2019 affirmative action plan were presented. There are no under-representations and no placement goals were required.

Targets are set using data from the 2010 census; when 2020 data is available, targets are likely to change. The workforce demographics were reviewed in comparison to neighboring ports, although the closest in size is the Port of Portland, with 740 employees. The Port of Seattle is comparable from a gender standpoint and is more ethnically diverse than comparable port districts, although these figures do not account for workforce availability.

Commissioners asked staff to increase visibility of opportunities and foster openness to changing the organizational culture to one that is more open to women and minorities.

9c. Sustainable Project Framework Briefing and Recommendations.

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

Presenter(s): Leslie Stanton, Senior Manager, Environmental Programs, and Paul Meyer, Senior Manager, Environmental Programs.

The policy framework overview summarized the findings of staff and consultants for a sustainable design framework. Key policy elements of the framework include the following:

- Early integration of sustainability in the capital process
- Screening projects to focus resources on sustainability opportunities
- Involving subject matter experts to develop sustainable design approaches
- Progress tracking and recognition of achievements

Sustainability categories to be tracked include energy, emissions, transportation and mobility, potable water and stormwater, waste, materials, habitat, and resiliency. For each project, only the relevant categories will be evaluated. Projects will be evaluated and placed in three tiers: Tier 1, small projects, which will have standards and specifications applied; Tier 2, medium projects, which provide opportunities for sustainability benefit; and Tier 3, large projects, which will be able to obtain full sustainability certification, and will have project-specific goals. More than half of proposed capital projects fall into Tier 1.

Commissioners requested increased visibility and integration of the scorecard in order to monitor important metrics and goals more effectively.

9d. Port-Wide Arts and Cultural Program Policy Directive.

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

Presenter(s): Tommy Gregory, Senior Art Program Manager, and Pete Mills, Commission Specialist.

The art program policy directive was introduced, including a proposal to increase the art fund to one percent of capital project budgets. The amount for art was set at this level in 2000, but decreased to 0.5 percent in 2008, with some project budgets excluded altogether. The new strategy includes increased conservation efforts, and expanded public engagement and cultural programming.

10. QUESTIONS on REFERRAL to COMMITTEE – None.

11. ADJOURNMENT

There was no further business, and the meeting adjourned at 5:05 p.m.

Prepared:

Attest:

Amy Dressler, Deputy Commission Clerk

Peter Steinbrueck, Commission Secretary

Minutes approved: November 12, 2019.