

Commissioners
John Creighton
Chair and President
Bill Bryant
Patricia Davis
Lloyd Hara
Gael Tarleton



Tay Yoshitani
Chief Executive Officer

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An audio of the meeting proceedings and meeting materials are available on the Port of Seattle web site -

<http://www.portseattle.org/about/organization/commission/commission.shtml>

(The approximate point in the audio recording for the specific item is identified by minutes and seconds; example: 01:30.)

**APPROVED MINUTES
COMMISSION REGULAR MEETING JULY 22, 2008**

The Port of Seattle Commission met in a regular meeting at 4:00 p.m., Tuesday, July 22, 2008 in the International Conference Center, Airport Office Building, Seattle-Tacoma International Airport, Seattle, WA. Commissioners Bryant, Creighton, Davis, Hara and Tarleton were present.

1. CALL TO ORDER

The regular meeting was called to order at 3:00 p.m. by John Creighton, Chair and President.

2. EXECUTIVE SESSION pursuant to RCW 42.30.110

The regular meeting was immediately recessed to an executive session to discuss Legal, Real Estate, and Personnel matters for approximately one hour and reconvened to public session.

PLEDGE OF ALLEGIANCE

3. APPROVAL OF MINUTES

(00:01:13) Motion for approval of minutes of the special meeting of June 12, 2008, the special work session of July 1, 2008 and the regular meeting of July 8, 2008 – Hara

Motion carried by the following vote:

In Favor: Bryant, Creighton, Davis, Hara, Tarleton (5)

4. SPECIAL ORDER OF BUSINESS

None.

5. UNANIMOUS CONSENT OF CALENDAR

None.

New Business was advanced on the agenda as follows:

12 NEW BUSINESS

(00:02:01) Mr. Sergio Salinas, President, SEIU Local 6 gave public comment regarding ongoing Skycap/Wheelchair issues at Seattle-Tacoma International Airport (STIA)

A copy of a petition given to STIA Airlines was provided; is by reference, made a part of these minutes; is marked Exhibit 'A,' and is on file in port offices.

Commissioner Tarleton stated that she would support an opportunity for more public comment on this issue at the next commission meeting being held at STIA.

Commissioner Davis endorsed having another discussion of the issue, providing that Port staff gave a presentation as well.

6. POLICY AND STAFF BRIEFINGS

a. (00:14:38) Update on the Performance Audit Report

Presentation Documents: Commission Agenda [Memorandum](#) dated July 15, 2008 from Dakota Chamberlain and computer slide [presentation](#) titled, "Audit Response Action Plan Update to Commission." A copy of the updated Action Plan, dated July 21, 2008 was also provided to the Commissioners, was available to the public, and posted on the Port's website.

Presenter: Mr. Chamberlain

Topics reviewed:

- Work Complete
- Action Plan Timeline
- Next Steps

Following Mr. Chamberlain's presentation, Commissioner Hara suggested a review of lessons learned be provided at the September Audit Committee meeting.

Mr. Yoshitani commented on a recent meeting at the State Auditor's Office, which was also attended by Commissioners Creighton and Hara.

b. (00:23:22) Briefing on the Disadvantaged Business Enterprise (DBE) Component of the Concessions Program at Seattle-Tacoma International Airport (STIA).

Presentation Documents: Commission Agenda [Memorandum](#) dated July 14, 2008 from James R. Schone, Director, Aviation Business Development; Deanna Zachrisson, Manager, Concessions Management; and Elaine Ko, Director, Office of Social Responsibility and computer slide [presentation](#) titled, "Seattle-Tacoma International Airport Concessions Program DBE Update."

Presenters: Mr. Schone and Ms. Zachrisson

Topics reviewed:

- Legacy of Master Concessionaire
- Commission-directed Program Goals
- Creation of New Program Structure
- DBE Program Intent & Goals
- DBE Involvement and Locations
- Secure Central Terminal Anchor Restaurant
- Central Terminal Food/Retail Development and Outreach
- Sales Forecast vs. Actual Results
- Concourse A DBE's Hardship Appeal
- Relief Package Granted 2005
- Value of Relief Package to DBEs
- Airport Efforts to Bolster DBE Sales
- Growth of Concessions Program
- Concourse A DBE Sales Performance
- Continued Issues: Concourse A DBEs
- Factors Influencing Recommendations
- Third Party Conclusions & Port Recommendations

Mr. Yoshitani noted that staff would be returning to the Commission in the near future with a set of recommendations in order to address concerns of the DBEs.

Public comment regarding Item 6b was received as follows:

- Alan Kurimura, Vice-president, Uwajimaya
- David Fukuhara, Waji's. A written copy of Mr. Fukuhara's comments was provided; is by reference, made a part of these minutes; is marked Exhibit '[B](#)'; and is on file in Port offices.

- Rod O’Neal, Seatac Bar Group
- Jerry Whitsett, Seatac Bar Group

c. (01:47:06) Customer Service Initiative Briefing

Presentation Documents: Commission Agenda [Memorandum](#) dated June 20, 2008 from Michael Feldman, Deputy Managing Director, Aviation and Michael Ehl, Director, Airport Operations and computer slide [presentation](#) titled, “Customer Service Initiative.”

Presenters: Mr. Feldman and Mr. Ehl

Topics reviewed:

- Customer defined
- Guiding principles
- Evolving tradition of customer service
- Approach
- Goals
- Challenges
- Measuring customer satisfaction
- Measuring what matters
- Customer-focused innovations
- Key customer service initiatives
- Addressing international growth with service
- Partnering for best management practices

7. MARINE ITEMS

a. (02:34:53) Request for authorization of changes to the Terminal 30/91 Program due to foundation changes required by the City of Seattle:

- 1. Approval of Change Order for Cumulative time extension of 78 days;**
- 2. Approval of Change Order exceeding \$200,000, and;**
- 3. Approval of additional funds in the amount of \$3,186,000 for a total authorization of \$121,525,000.**

Request Documents: Commission Agenda [Memorandum](#) dated June 20, 2008 from Michael Burke, Director, Container Operations and Janice Zahn, T30/91 Program Manager

Presenters: Mr. Burke and Ms. Zahn

Commissioner Bryant requested that staff provide, by written notice, any time contingency funds are used. He was assured by staff that written notification would be provided. Commissioner Bryant urged the staff not to spend the additional contingency

funds unless absolutely necessary to keep the project on time, and to keep the overall project costs under \$120 Million.

Commissioner Hara suggested segregating out more specifically the costs between Terminal 30 and Terminal 91 projects in future briefings.

Motion for approval of Item 7a, to include the stipulation that staff include in their regular briefings, any amount that would be used out of contingency funds – Tarleton.

Motion carried by the following vote:

In Favor: Bryant, Creighton, Davis, Hara, Tarleton (5)

8. AVIATION ITEMS

a. (02:58:12) Request for authorization design work for the Seattle-Tacoma International Airport Renewal and Replacement of 42 Escalators for a total cost of \$3,183,000.

Request Document: Commission Agenda [Memorandum](#) dated July 3, 2008 from Richard Ottele, General Manager, Aviation Facilities and Infrastructure and Robert F. Riley, Director, Aviation Capital Improvement Program

Presenters: Mr. Ottele and Mr. Riley

Motion for approval of Item 8a – Hara

Motion carried by the following vote:

In Favor: Bryant, Creighton, Davis, Hara, Tarleton (5)

Staff authorized: Chief Executive Officer; Managing Director, Aviation; Interim Managing Director, Development Division; and Chief Procurement Officer.

b. (03:08:36) Request for approval to execute an addendum to the First Development Agreement with the City of Des Moines to acquire the abandoned streets within the Des Moines Creek Business Park site in an amount not to exceed \$3,850,000.

Request Document: Commission Agenda [Memorandum](#) dated June 27, 2008 from Mark Griffin, Port-wide Real Estate Manager and computer slide [presentation](#) titled, “Des Moines Creek Business Park.”

Presenter: Mr. Griffin

Following discussion regarding the Agreement with the City of Des Moines, the noise grant provided by the FAA, as well as future repayment possibilities to the FAA, staff assured the Commission that following today's vote, even if the appraisal of the property discussed did not assure a reasonable rate of return, no money would be lost, and the Port could back out of the proposed deal.

Motion for approval of Item 8b – Bryant

Motion carried by the following vote:

In Favor: Bryant, Creighton, Davis, Hara, Tarleton (5)

c. (03:27:29) Request for Commission approval of settlement of the Lora Lake Apartments condemnation.

Request Document: Commission Agenda [Memorandum](#) dated July 9, 2008 from Craig R. Watson, General Counsel and Diane Summerhays, Director, Aviation Community Development

Presenters: Mr. Watson and Ms. Summerhays

Commissioner Tarleton suggested that staff reflect on what appropriate uses of this property might be; and that that be part of a strategic plan.

Motion for approval of Item 8c – Davis

Motion carried by the following vote:

In Favor: Bryant, Creighton, Davis, Hara, Tarleton (5)

9. CAPITAL DEVELOPMENT

None.

10. REAL ESTATE

a. (03:40:06) Resolution No. [3601](#), Second Reading and Final Passage. Amending Unit 20 of the Comprehensive Scheme of Harbor Improvements of the Port of Seattle (Lower Duwamish Industrial Development District) by declaring certain real and personal property (Pier 48) surplus and no longer needed for Port District purposes and authorizing its sale to the State of Washington Department of Transportation; deleting said property from Unit 20 of the Comprehensive Scheme.

Request Document: Commission Agenda [Memorandum](#) dated July 15, 2008 from Joe McWilliams, Managing Director, Real Estate Division and Melinda Miller, Real Estate Development Manager

Presenters: Mr. McWilliams and Ms. Miller

Public comment regarding Item 10a was received as follows:

- Steve Rodrigues, Rodrigues Enterprises

Motion for approval of Item 10a – Davis

Motion carried by the following vote:

In Favor: Bryant, Creighton, Davis, Tarleton (4)

Opposed: Hara (1)

11. GENERAL BUSINESS

None.

The agenda was returned to New Business as follows:

12. NEW BUSINESS

a. (04:110:23) Resolution No. 3604, First Reading. Revising airfare travel policy for Port Commissioners and employees.

Request Document: Commission Agenda [Memorandum](#) dated July 18, 2008 from Tom Barnard, Policy Analyst

Presenter: Mr. Barnard

Motion for First Reading of Resolution No. 3604 – Bryant

Motion carried by the following vote:

In Favor: Bryant, Creighton, Davis, Hara, Tarleton (5)

Prior to adjournment, Commissioner Tarleton commented that steps are being taken in the establishment of a ‘Truck Parking Working Group’ and that the first meeting would be held on Tuesday, July 29.

13. ADJOURNMENT

There being no further business, the meeting was adjourned at 8:22 p.m.

(A digital recording of the meeting is available on the Port’s website.)

Bill Bryant
Secretary