



Commissioners

Patricia Davis
Chair and President
John Creighton
Bob Edwards
Alec Fisker
Lloyd Hara

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M.R. Dinsmore
Chief Executive Officer

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.shtml>

(The approximate point in the audio recording for the specific item is identified by minutes and seconds; example: 00:01:30.)

**APPROVED MINUTES
COMMISSION REGULAR MEETING OCTOBER 24, 2006**

The Port of Seattle Commission met in a regular meeting at 2:00 p.m., Tuesday, October 24, 2006 in the International Conference Center, Airport Office Building, Seattle-Tacoma International Airport, Seattle, WA. Commissioners Creighton, Davis, Edwards, *Fisker, and Hara were present.

1. CALL TO ORDER

The regular meeting was called to order at 2:10 p.m. by Patricia Davis, Chair and President.

PLEDGE OF ALLEGIANCE

2. EXECUTIVE SESSION pursuant to RCW 42.30.110

An executive session was held following the public session.

3. APPROVAL OF MINUTES

(00:01:10) Minutes of September 26, 2006 regular meeting.

Motion for approval: Edwards

Motion carried by the following vote:

In favor: Creighton, Edwards, Hara (3)

Abstained: Davis. (Commissioner Davis was absent from the subject meeting.)

Commissioner Fisker was absent for the vote.

Minutes of October 17, 2006 special meeting.

Motion for approval: Edwards

Motion carried by the following vote:

In favor: Davis, Edwards, Fisker, Hara (4)

(* Commissioner Fisker was in attendance for the remainder of the meeting.)

Abstained: Creighton (Commissioner Creighton was absent from the subject meeting.)

4. SPECIAL ORDER OF BUSINESS

None.

5. UNANIMOUS CONSENT OF CALENDAR

None.

6. POLICY AND STAFF BRIEFING

a. (00:02:06) Container Expansion Study – Economic Benefits

Presentation document: Commission [memorandum](#) dated September 20, 2006 from Michael Burke, Director, Cargo and Cruise Services; and Eric Hanson, Senior Port Planner; and computer slide [presentation](#) entitled “Container Expansion Study – Economic Benefits”.

Presenters: Messrs. Burke and Hanson

Topics reviewed:

- Multi-Party “Work Packages” for Growth
- Annual Incremental Benefits From Container Growth
- Job Benefits Per TEU
- Conclusions

President Davis questioned any economic benefits should the Port choose not to make further financial investments for container expansion. Mr. Burke stressed that if the Port does not work to facilitate improvements and work with partners in the areas of rail, highways, and environmental mitigation, limited growth would occur, if any at all.

Mr. Burke advised that the Commission will be briefed on the next increment of the study early next year.

Commissioner Fisken requested a copy of backup information on how the numbers are calculated for jobs per thousand TEU's.

7. MARINE ITEMS

a. (00:44:40) Resolution No. 3567, Second Reading and Final Passage. Declaring certain personal property surplus, Star Crane 36, and further declaring property should be sold, or disposed of as scrap. Total amount requested is \$330,000.

Request document: Commission [memorandum](#) dated October 11, 2006 from Kent Christopher, Manager, Cargo Services; and Dakota Chamberlain, Manager, Seaport Project Management.

Presenters: Mike Kuhlmann, Capital Construction Project Manager; and Michael Burke, Director, Cargo and Cruise Services.

Motion for approval of Item 7a; Resolution No. [3567](#), Second Reading, Final Passage: Hara

Motion carried by the following vote:

In favor: Creighton, Davis, Edwards, Fisken, Hara (5)

8. AVIATION ITEMS

a. (00:45:55) Project-wide authorization for construction of interim and final baggage screening systems at Sea-Tac International Airport for an additional \$23,856,104, for a total authorization of \$196,536,104.

Request document: Commission [memorandum](#) dated September 26, 2006 from Wendy Harland, Director, Airport Security; and Larry Lanier, Program Leader, Aviation Project Management Group.

Presenters: Bob Riley, Director, Aviation Capital Improvement Program; Ms. Harland; and Mr. Lanier.

Motion for approval of Item 8a – Fisken

Motion carried by the following vote:

In favor: Creighton, Davis, Edwards, Fisken, Hara (5)

Staff authorized: Managing Director, Aviation Division; Deputy Managing Director, Aviation Facilities and Environmental Programs; Director, Public Safety and Security; Director, Airport Operations; Director, Aviation Capital Improvement Program; Director, Engineering Services; General Manager, Port Construction Services; and Manager, Procurement Services.

b. (01:01:50) Authorization to reject all bids and re-advertise for bids and award a major construction contract for Boiler System Expansion Upgrade and for Central Mechanical #1 Chiller construction at Sea-Tac Airport.

Request document: Commission [memorandum](#) dated September 29, 2006 from Richard Ottele, General Manager, Aviation Facilities and Infrastructure; and Raymond Rawe, Chief Engineer.

Motion for approval of Item 8b – Hara

Motion carried by the following vote:

In favor: Creighton, Davis, Edwards, Fiskens, Hara (5)

c. (01:08:25) Project-wide authorization to relocate Aviation Project Management Group from the Kilroy Building to the Airport Office Building at Sea-Tac Airport, for an estimated cost of \$620,000.

Request document: Commission [memorandum](#) dated October 17, 2006 from Robert Riley, Director, Aviation Capital Improvement Program.

Presenters: Mr. Riley; Ms. Janet Sheerer, Construction Project Manager

Motion for approval of Item 8c – Edwards

Motion carried by the following vote:

In favor: Creighton, Davis, Edwards, Fiskens, Hara (5)

Staff authorized: Chief Executive Officer; Managing Director, Aviation Division; Deputy Managing Director, Finance and Development; Director, Aviation Capital Improvement Program; Director of Engineering Services; General Manager, Port Construction Services; and Manager, Procurement Services.

9. GENERAL BUSINESS

a. (01:22:20) CEO Annual Performance Review

Presentation document: [Memorandum](#) dated October 24, 2006 from Commission President Pat Davis.

President Davis read into the record a document, "Report on Commission Evaluation of CEO Mic Dinsmore, October, 2006", which reviewed the goals and objectives for Mr. Dinsmore during the review period August, 2005 through August, 2006. This document is by reference, made a part of these minutes, and is marked Exhibit "[A](#)"; and is on file in Port offices.

Following Commissioner comments regarding Mr. Dinsmore's performance during the review period, the following decision was made:

Motion to approve CEO Annual Evaluation as "Accomplished", and proposing a 6% increase in salary.

Motion for approval of Item 9a – Edwards

Following further Commission discussion, President Davis endorsed comments by Commissioner Edwards that the Port's Salary and Benefit plan should be reviewed.

Public testimony on Item 9a:

1. **(02:09:10)** Christopher Cain. Mr. Cain provided a copy of a report entitled "Port of Seattle Fiscal Report Card October 2006". The report is by reference, made a part of these minutes, and is marked Exhibit "[B](#)", and is on file in Port offices.
2. **(02:13:25)** Rudy Caluza

Motion made by Commissioner Edwards carried by the following vote:

In favor: Creighton, Davis, Edwards (3)

Opposed: Fisken, Hara (2)

b. (02:29:30) Authorization for Chief Executive Officer to approve search firm services contract in the amount of \$129,000.

Request document: Commission [Memorandum](#) dated October 23, 2006 from Clare Impett Gallagher, Director, Commission Services

Motion for approval of Item 9b – Fisken

Motion carried by the following vote:

In favor: Creighton, Davis, Edwards, Fisken, Hara (5)

10. NEW BUSINESS

a. Commission Trip Reports

(02:31:25) Creighton – Governor’s Trade Mission to Korea and Taiwan, October 13-21.

(02:40:05) Edwards – Washington Council of International Trade and Sustainable Business Development trip to Brazil, led by Lt. Governor Brad Owen, October 7-16.

2. EXECUTIVE SESSION

The regular meeting was then recessed to an executive session for approximately fifty minutes to discuss real estate, and legal risk matters.

11. ADJOURNMENT

The regular meeting was reconvened and immediately adjourned at 5:50 p.m.

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

Alec Fiskien
Secretary