



Commissioners

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

Tay Yoshitani
Chief Executive Officer

P.O. Box 1209
Seattle, Washington 98111
www.portseattle.org
206.728.3000

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 APRIL 24, 2007**

The Port of Seattle Commission met in a regular meeting at 12:00 p.m., Tuesday, April 24, 2007 in the International Conference Room at Seattle-Tacoma International Airport, Seattle, WA. Commissioners Creighton, Davis, Edwards, Fiskén and Hara were present.

1. CALL TO ORDER

The regular meeting was called to order at 12:00 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 real estate, legal risk, and personnel matters for approximately one hour and fifteen minutes and reconvened to open public session.

PLEDGE OF ALLEGIANCE

3. APPROVAL OF MINUTES

(00:01:07) Motion for approval of minutes for the special work session of March 6, 2007: Edwards

Motion carried by the following vote:

In favor: Edwards, Fiskén, Hara (3)

Abstained due to absence from the subject meeting : Creighton, Davis (2)

Motion for approval of minutes of the special meeting of March 27 - Fisken

Motion carried by the following vote:

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

4. SPECIAL ORDER OF BUSINESS

a. (00:01:55) Acknowledgment of the recent death of longshoreman Joseph A. Aliseo.

At the request of Commissioner Creighton, there was a minute of silence in respect of Mr. Aliseo.

CEO Yoshitani referenced the April 19, 2007 incident at Terminal 86 involving a loading crane, resulting in the death of longshoreman Joseph Aliseo. Mr. Yoshitani read into the record a Declaration of Emergency as a result of the incident. A copy of the Declaration of Emergency, dated April 19, 2007, is, by reference, made a part of these minutes; is marked Exhibit "[A](#)"; and is on file in Port offices.

In response to Commissioner Fisken's question about other recent issues at Terminal 86, Mr. Yoshitani responded that he would consult with staff and reply to the Commission at a future date.

Motion for approval of the Emergency Declaration made by Mr. Yoshitani: Fisken

Motion carried by the following vote:

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

Following approval of Commission minutes, Commissioner Creighton commented that motions by the Commission would be made today in reference to recent public interest regarding the former Port CEO's retirement compensation package.

(00:08:08) Public testimony regarding items not on the agenda was then allowed as follows:

- Dan Caldwell, Citizen; regarding "Land Swap" and "Commissioner Districts". A copy of a letter referenced by Mr. Caldwell and dated April 24, 2007, is, by reference, made a part of these minutes, is marked Exhibit "[B](#)", and is on file in Port offices.

New business was advanced on the agenda as follows:

10. NEW BUSINESS

a. (00:12:35) In reference to earlier comments by Commissioner Creighton, the following motions were brought forward by the Commission:

1. Motion #1 - Edwards

- Be it hereby moved that the Commission now affirm in open public session that it does not authorize any additional or extended compensation not previously authorized and approved by final Commission action.

Motion carried by the following vote:

In Favor: Creighton, Davis, Edwards, Fisker, Hara (5)

2. Motion # 2 - Hara

- 1) In light of the public interest surrounding the October 10, 2006 memorandum dealing with a proposal to grant extended pay and/or severance benefits to M.R. Dinsmore after he left his CEO position at the Port, the Port Commission desires to have the Port's Board of Ethics conduct a review and fact-finding of the circumstances surrounding the preparation of the memorandum.
- 2) The Commission wants the Board to specifically review whether any laws, procedures, or ethical standards were breached as a result of the preparation or handling of the memorandum
- 3) The Commission instructs the Board to take all reasonable steps to carry out this review. The Commission authorizes the Board to utilize expertise of Port staff or the hiring of experts to advise on issues surrounding the Washington Open Public Meetings law and municipal and governance ethics.
- 4) The Board will provide an oral report to the Commission in Executive Session prior to preparing a written report to the Commission. The Board will deliver a written report of the Board's findings and conclusions to the Commission within 60 days, unless an extension is requested in writing by the Board.
- 5) The Commission authorizes the CEO to prepare the necessary documents to carry out these actions and to fund the Board's costs for this review.

Commissioner Davis noted that she welcomed the review by the Ethics Board and thanked Mr. Yoshitani for carrying the process forward.

Motion carried by the following vote:

In Favor: Creighton, Davis, Edwards, Fisker, Hara (5)

Commissioner Creighton then commented, in reference to Motion #1, that there had been some concern regarding the use of the Port's HR-10 Policy dealing with severance benefits. He made the request that Mr. Yoshitani look into how the Policy has been applied in the past, and look at properly applying it in the future.

Mr. Yoshitani replied that staff would follow up with Commissioner Creighton's request immediately. Mr. Yoshitani then called attention to the fact that in the past, Executive Sessions had not been recorded, and recommended that the Commission consider electronically recording all such future meetings. The recordings would be for Port Commission purposes only, would be confidential, would not be for public dissemination, and would be held by the Port's general counsel.

Following Mr. Yoshitani's comments, the following motion was made:

3. Motion #3 - Fisken

- Be it hereby moved that all future Executive Sessions of Commission meetings be electronically recorded, recognizing that the recordings are for Port Commission purposes only, and remain confidential; not for public dissemination. They would be held by the Port's general counsel.

Motion carried by the following vote:

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

Commissioner Davis requested that copies of the three motions be made available to the public.

Commissioner Creighton noted that there were minimal changes to the motions as written and the motions as actually stated. Verbiage within these minutes reflects the motions as stated.

The agenda was then returned to Policy and Staff Briefings as follows:

6. POLICY AND STAFF BRIEFINGS

a. (00:24:36) Underwriter Selection Process

Presenters: Dan Thomas, Chief Financial Officer; and Elizabeth Morrison, Senior Manager, Corporate Finance

Presentation Documents: Commission Agenda [Memorandum](#) dated April 17, 2007 from Elizabeth Morrison; and computer slide [presentation](#) entitled, "Strategic Debt Management".

Topics reviewed by staff:

- Financing Objectives
- Strategies to Meet Objectives
- Choices in Structuring Financing Team
- The Port's Approach
- Achieving Objectives Through Sales Method
- Best Practices
- GFOA Guidelines
- Industry Information
- Port's Approach – Hybrid
- Alternative Methods
- Port Experience
- Role of the Financial Advisor

b. (01:01:17) East Waterway Operable Unit (Harbor Island Superfund Site)

Presenters: Stephanie Jones, Senior Manager, Seaport Environmental Programs; Kathy Bahnick, Environmental Program Supervisor; Doug Hotchkiss, Senior Environmental Program Manager. Staff also introduced David, Kendall, Army Corps of Engineers, who assisted in the presentation.

Presentation documents: Commission agenda [memorandum](#) dated March 14, 2007 from Ms. Jones and Ms. Bahnick; and computer slide [presentation](#) entitled, "East Waterway Operable Unit of the Harbor Island Superfund Site".

Topics reviewed by staff:

- History of Harbor Island
- History of past dredging
- East Waterway Channel Deepening
- Dredged Management Material Program (DMMP)
 - DMMP Model
 - DMMP Puget Sound Disposal Sites
 - Project Overview
 - Terminal 30 DMMP Testing and Dredging History
 - DMMP and EPA Superfund Conclusions

Public testimony regarding Item 6b was given as follows:

- **(01:53:40)** Heather Trim, People For Puget Sound. Ms. Trim gave a computer slide presentation entitled, "East Waterway Superfund Site Update for Port Commission, April 24, 2007". A copy of the presentation is, by reference, made a part of these minutes; is marked Exhibit "[C](#)"; and is on file in Port Offices.

- **(02:02:23)** Fred Felleman, Friends of the Earth. A copy of a letter reference by Mr. Felleman and dated April 24, 2007 is, by reference, made a part of these minutes; is marked “Exhibit [“D”](#)”; and is on file in Port offices.

c. (02:15:18) Update on Terminal 30 Container Reactivation and Terminal 91 Cruise Terminal Relocation Project

Presenter: Charlie Sheldon, Managing Director, Seaport Division

Presentation Document: Commission agenda [memorandum](#) dated April 4, 2007 from Michael Burke, Director, Cruise and Cargo Services; and Dakota Chamberlain, Manager, Seaport Project Management.

Mr. Sheldon commented that during the past two weeks, since the last briefing, staff had been mainly working with permitting agencies as well as working on the street vacation process.

d. (02:18:06) Seattle-Tacoma International Airport Concessions Program

Presenter: Amy Shaw, Manager, Aviation Commercial Business

Presentation Documents: Commission agenda [memorandum](#) dated April 24, 2007 from James Schone, Director, Aviation Business Development; and Amy Shaw, Manager, Aviation Commercial Business; and computer slide [presentation](#) entitled, : “Sea-Tac Airport 2006 Concession Sales and Revenue”.

Topics reviewed by staff:

- Annual sales total 2006 / 2005
- Annual revenue total 2006 / 2005
- Individual concourse sales and enplanement comparison – 2006 / 2005
- DBE tenant sales – 2006 / 2005

Prior to moving forward with next agenda items, it was announced by Mark Reis, Managing Director, Aviation Division that AeroMexico would be starting daily service to Mexico City from Sea-Tac beginning July 4, 2007.

e. (02:43:23) Seattle-Tacoma International Airport Holiday Decorations

Presenter: Mark Reis, Managing Director, Aviation Division

Presentation Document: Commission agenda [memorandum](#) dated March 27, 2007 from Mr. Reis.

Mr. Reis updated the Commission on the establishment of a community advisory group who would be helping to develop recommendations for this year’s decorations.

Members of the advisory group are as follows: Frederic Tausend, former Dean, Seattle University Law School; Sally Bagshaw, Chief Civil Deputy, King County Prosecuting Attorney's Office; Lynn Beck, Marketing Manager, Pacific Place; Bishop Chris Boerger, Northwest Synod, Evangelical Lutheran Church in America; Rabbi Elazar Bogomilsky, Chabad House; Dr. Sandy Brown, Executive Director, The Church Council of Greater Seattle; Marilyn Gist, Executive Director, Center for Leadership Formation, Seattle University; Rabbi Anson Laytner, Executive Director, American Jewish Committee; Hubert Locke, Professor Emeritus, University of Washington; Timothy O'Brien, Executive Director, Northwest Dharma Foundation; Jamal Rahman, Minister, Interfaith Community Church; and Linda Strout, Deputy CEO, Port of Seattle.

7. MARINE ITEMS

None.

8. AVIATION ITEMS

a. (02:47:12) Request for authorization for contract administration and execution for Seattle-Tacoma International Airport 2007 Airfield Improvement Projects Contract 1, and for an additional \$1,566,000 for construction of the Taxiway B-South Phase Two Hardstand Project, for a total authorization of \$6,335,000.

Presenters: Mark Coates, Senior Manager, Airport Operations; and John Rothnie, Aviation CIP Program Leader.

Request Document: Commission agenda [memorandum](#) dated April 17, 2007 from Michael Ehl, Director, Airport Operations; and Bob Riley, Director, Aviation Capital Improvement Program.

Motion for approval of Item 8a – Edwards

Motion carried by the following vote:

In Favor: Creighton, Davis, Edwards, Fiskin, Hara (5)

Staff authorized: Managing Director, Aviation Division; Director, Airport Operations; Director, Aviation Capital Improvement Program; Chief Engineer; General Manager, Port Construction Services; Manager, Procurement Services; and Project Manager.

b. (02:53:30) Project-wide authorization for contract administration and execution of the [Seattle-Tacoma International Airport Main Terminal Roof Replacement](#) for a total authorization of \$1,148,000.

Presenters: John Christianson, General Manager, Aviation Maintenance; and Luisa Bangs, Senior Manager, Aviation Maintenance.

Request document: Commission agenda [memorandum](#) dated April 2, 2007 from John Christianson, General Manager, Aviation Maintenance; and Bob Riley, Director, Aviation Capital Improvement Program.

Motion for approval of Item 8b – Davis

Motion carried by the following vote:

In Favor: Creighton, Davis, Edwards, Fisker, Hara (5)

Staff authorized: Chief Executive Officer; Managing Director, Aviation Division; Director, Aviation Capital Improvement Program; Chief Engineer; Manager; Procurement Services; and Project Manager.

Prior to moving forward with remaining Aviation Items, Mr. Yoshitani asked that General Business be advanced on the agenda as follows:

9. GENERAL BUSINESS

a. (03:00:00) Request for authorization to execute a new Labor Agreement between the Port of Seattle and Teamsters Local Union No. 117, representing Port Police/Fire Communications Specialists.

Presenter: Herman Wacker, Director, Labor Relations

Request document: Commission agenda [memorandum](#) dated April 10, 2007 from Dianne Ramerman, Labor Relations Manager; and Herman Wacker, Director, Labor Relations.

Motion for approval of Item 9a – Edwards

Motion carried by the following vote:

In Favor: Creighton, Davis, Edwards, Fisker, Hara (5)

Staff authorized: Chief Executive Officer.

The agenda was then returned to Aviation Items as follows:

8. AVIATION

c. (03:04:50) Resolution No. 3578, First Reading. Authorization to execute a supplement to Agreement GCA 4012 with Washington State Department of Transportation (WSDOT) to provide up to \$10,000,000 in Port funding to support construction of SR 518 improvements between Seattle-Tacoma International Airport and the I-5/I-405 interchange.

Presenters: Michael Drollinger, Project Planner, Aviation Planning; and Michael Cheyne, Director, Aviation Planning.

Request document: Commission agenda [memorandum](#) dated April 17, 2007 from Mr. Drollinger and Mr. Cheyne.

Motion for approval of Item 8c – Fisken

Motion carried by the following vote:

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

d. (03:15:17) Resolution No. 3579, First Reading. Declaring certain personal property surplus for Port of Seattle purposes: A Port firefighting vehicle, and further declaring that said property should be transferred to the Snohomish County Airport.

Presenter: Mike Mandella, Fire Chief

Request document: Commission agenda [memorandum](#) dated March 28, 2007 from Chief Mandella.

Motion for approval of Item 8d – Hara

Motion carried by the following vote:

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

e. (03:19:48) Request for authorization to implement an incentive program for new small community air service routes to Seattle-Tacoma International Airport.

Presenters: Michael Ehl, Director, Airport Operations; and Michael Cheyne, Director, Aviation Planning.

Request document: Commission agenda [memorandum](#) dated April 5, 2007 from Mr. Ehl and Mr. Cheyne.

Public testimony regarding Item 8e was received as follows:

- Craig Baldwin, Port of Moses Lake
- Kim Foster, ASPI Group / Moses Lake

Written testimony received regarding Item 8e was received as follow:

- A copy of a letter received from Jeffrey Robb, Airport Manager, William R. Fairchild International Airport, dated April 24, 2007, is by reference, made a part of these minutes; is marked Exhibit “E”; and is on file in Port offices.
- A copy of a letter received from Ann B. Crook, Consortium Manager, NW Regional Air Service Initiative, Oregon Department of Aviation, dated April 20, 2007, is by reference, made a part of these minutes, is marked Exhibit “F”; and is on file in Port offices.

Motion for approval of Item 8e – Edwards

Commissioner Davis requested that the aircraft size for this project be reviewed by staff.

Motion carried by the following vote:

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

Staff authorized: Chief Executive Officer; Managing Director, Aviation; and Deputy Director, Aviation Development and Finance.

10. NEW BUSINESS

(03:42:53) Commissioner Creighton gave a brief overview of the recent trip to Asia and said he would report more in-depth at the next Commission meeting.

2. EXECUTIVE SESSION

The regular meeting was recessed to an executive session for approximately one hour to discuss real estate and personnel matters.

11. ADJOURNMENT

The regular meeting was reconvened and immediately adjourned at 5:45 p.m.

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

Alec Fisken
Secretary