

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



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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.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 MARCH 11, 2008**

The Port of Seattle Commission met in a regular meeting at 4:00 p.m., Tuesday, March 11, 2008 in the Commission Chambers at Pier 69, 2711 Alaskan Way, Seattle, WA. Commissioners Bryant, Creighton, Davis, and Hara were present. Commissioner Tarleton was absent.

1. CALL TO ORDER

The regular meeting was called to order at 4:07 p.m. by John Creighton, Chair and President.

2. EXECUTIVE SESSION pursuant to RCW 42.30.110

None.

PLEDGE OF ALLEGIANCE

3. APPROVAL OF MINUTES

(00:01:03) Motion for approval of minutes of the work session of February 5, 2008 - Hara

Motion carried by the following vote:

In favor: Bryant, Davis, Hara (3)

Commissioner Tarleton was absent for the vote.

Commissioner Creighton was absent from the subject meeting.

4. SPECIAL ORDER OF BUSINESS

- a. (00:01:35) Recognition of Certificate of Achievement for Excellence in Financial Reporting presented to the Port by the Government Finance Officers' Association (GFOA) of the US and Canada.**

Recognition was also given for the Financial Reporting Achievement Award presented to the Accounting and Procurement Services Department by the GFOA.

5. UNANIMOUS CONSENT OF CALENDAR

- a. (00:08:56) Motion for approval of payment of Claims and Obligations for the period of February 1 through February 29, 2008 – Hara**

Motion carried by the following vote:

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

Commissioner Tarleton was absent for the vote.

6. POLICY AND STAFF BRIEFING

- a. (00:09:36) Update on Terminal 30 Container Reactivation and Terminal 91 Cruise Terminal Relocation Project.**

Presentation Document: Commission Agenda [Memorandum](#) dated March 4 from Michael Burke, Director, Cruise and Cargo Services and Janice Zahn, Seaport Capital Construction Project Manager.

Presenters: Mr. Burke and Ms. Zahn

- b. (00:13:22) Audit Action Plan Update**

Presentation Documents: Commission Agenda [Memorandum](#) dated March 6, 2008 from Dakota Chamberlain, Manager, Seaport Project Management and computer slide [presentation](#) titled "Audit Response Action Plan Update to Commission". A copy of the updated Action Plan, dated March 11, 2008 was also provided to the Commissioners and was made available to the public.

Presenter: Mr. Chamberlain

Items discussed:

- Work completed since last briefing to Commission
- Action plan timeline
- Next steps

c. (00:16:54) 2008 Finance Update

[Presentation](#) Documents: Commission Agenda [Memorandum](#) dated March 3, 2008 from Elizabeth Morrison, Senior Manager, Corporate Finance

Presenters: Ms. Morrison and Dick Schober, Senior Vice-president, Seattle Northwest Securities

Topics addressed:

- Existing Bonds – Multiple Security Types / Multiple Forms of Debt
- Existing Revenue Bonds
- Port Revenue Bond Lien Structure
- Port’s Bond Ratings
- Financial Management
- Municipal Market Update
- Long- and Short-term Municipal Bond Rates
- Existing Auction Bonds
- Port’s Variable Rate Bonds
- 2008 Financing Plans
- General Obligation Bonds
- Rental Car Facility Bonds
- Airport Revenue Bonds
- Interest Rate Swaps

d. (00:55:41) Fourth Quarter 2007 Financial Performance Briefing

Presentation Documents: Commission Agenda [Memorandum](#) dated February 19, 2008 from Dwight Rives, Corporate Budget Manager; computer slide presentation titled “[2007 Performance Report](#)”; and documents titled, “[Quarterly Performance Report](#)” and “[Semi-annual Project-wide Authorization Updates December 2007](#)”.

Presenters: Dan Thomas, Chief Financial Officer; Mr. Rives; Borgan Anderson, Manager, Aviation Finance and Budget; Boni Buringrud, Manager, Seaport Finance and Budget; Melinda Miller, Manager, Seaport Commercial Development

Topics addressed:

Aviation – Borgan Anderson, Presenter

- Aviation Business Highlights
 - Airline Activity
 - Operating and Maintenance Savings
 - Reduced Airline Costs
 - Non-aeronautical Net Operating Income
 - Major Project Milestones
- Summary of Financial Results
- Enplanements
- Key Indicators
- Operating Expenses
- Variance Explanations
- Capital Spending
- Cost Per Enplanement and Operating Cost Per Enplanement 2003-2007

Seaport – Boni Buringrud, Presenter

- Seaport Business and Organizational Goals
- 2007 Operating Results
- Seaport Key Variances
- Seaport Business Groups
- Seaport Capital, 2007

Economic Development Division – Melinda Miller, Presenter

- Organizational Changes
 - Real Estate Development and Planning
 - Regional Transportation
 - Economic, Business and Trade Development
- Key Initiatives
 - Regional Transportation
 - Real Estate
- Operating Results
- Key Variances
- Capital, Fourth Quarter, 2007

Commissioner Creighton requested that the reporting for the Corporate Division be deferred until the next meeting.

A five-minute recess was called by Commissioner Creighton, and the meeting was reconvened at 5:43 p.m.

7. MARINE ITEMS

- a. (01:40:31) Resolution No. [3596](#), Second Reading and Final Passage: Establishing a policy prohibiting illicit and non-stormwater discharges and illegal dumping on all Port properties.

Request Document: Commission Agenda [Memorandum](#) dated March 4, 2008 from Kathy Bahnick, Environmental Program Supervisor and Marilyn Guthrie, Stormwater Program Manager

Presenters: Ms. Bahnick and Ms. Guthrie

Motion for Second Reading and Final Passage of Resolution No. 3596 – Davis

Motion carried by the following vote:

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

Commissioner Tarleton was absent for the vote

- b. ITEM DEFERRED – Request for authorization to execute an amendment to the termination agreement with Trans Pacific Container Corporation for Terminal 30.

8. AVIATION ITEMS

- a. (01:42:34) Request for authorization 1) to increase authorized amount for Rental Car Facility Design by an additional \$850,000 for a total of \$29,974,000 and; 2) to change order Pre-construction Services contract with Turner Construction as low responsive bidder for Rental Car Facility Site Construction Project for \$4,150,000, bringing total amount authorized for Rental Car Facility Site Construction to \$7,128,000.

Request Documents: Commission Agenda [Memorandum](#) dated March 3, 2008 from Michael Ehl, Director, Airport Operations and George England, Program Leader, Project Management Group and computer slide [presentation](#) titled “Rental Car Program Public/Commission Communication Plan”

Presenters: Mr. Ehl, Mr. England, and Jim Schone, Director, Business Development and Management

Public testimony regarding Item 8a received from the following:

- Lori Tallarico, Avis Budget Group

Motion for approval of Item 8a – Davis

Motion carried by the following vote:

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

Commissioner Tarleton was absent for the vote.

b. (02:00:35) Request for authorization to reject all bids, re-scope and re-advertise for bids for a major construction contract for Aircraft Rescue and Fire Fighting Station Upgrades at Seattle-Tacoma International Airport.

Request Document: Commission Agenda [Memorandum](#) dated March 4, 2008 from Raymond P. Rawe, Chief Engineer and Robert F. Riley, Director, Aviation Capital Improvement Program

Presenters: Mr. Rawe and Mr. Riley

Motion for approval of Item 8b – Hara

Motion carried by the following vote:

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

Commissioner Tarleton was absent for the vote

c. (02:02:55) Request for authorization to award Metropolitan Building Maintenance Co. the contract for janitorial services for Airport Office Building, Police Department Operations Center and Airport Conference Center for an annual amount of \$359,688. ITEM DEFERRED

Request Document: Commission Agenda Memorandum dated March 3, 2008 from Michael Ehl, Director, Airport Operations

Presenters: Mr. Ehl and Nick Harrison, Senior Manager, Airport Operations

Public testimony regarding Item 8c was received from the following:

- Bob Kendrick, Capitol Building Maintenance

Following the staff presentation, public comment, and Commission discussion, Commissioner Creighton requested that action on both Items 8c and 8d be deferred until the March 25 commission meeting in order to allow more time for specific questions to be answered.

It was also requested by Commissioner Creighton, that, due to time constraints, General Business Items 9a and 9b be deferred.

d. ITEM DEFERRED – Request for authorization to award Selam Hospitality Services, Inc. the contract for janitorial services to Port-owned Airport off-site locations, for an annual amount of \$72,504

9. GENERAL BUSINESS

a. ITEM DEFERRED – Commission Committee Updates

b. ITEM DEFERRED – Annual Meeting of The Industrial Development Corporation of the Port of Seattle.

10. NEW BUSINESS

Public testimony was received from the following individuals:

Regarding the Eastside Rail Corridor:

- Will Knedlik, Eastside Rail Now

Regarding current Skycap Issues at Seattle-Tacoma International Airport:

- Kealy Ny, Seattle Alliance for Fair Housing and Economic Justice
- Mack Moses
- Tim Fuller

11. ADJOURNMENT

There being no further business, the meeting was adjourned at 6:40 p.m.

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

Bill Bryant
Secretary