



Commissioners

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

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

Tay Yoshitani
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 SPECIAL MEETING JUNE 28, 2007**

The Port of Seattle Commission met in a special meeting at 12:00 p.m., Thursday, June 28, 2007 in the International Conference Room at 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 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 legal risk, litigation, and employment matters for approximately one hour and twenty minutes, and reconvened to open public session.

PLEDGE OF ALLEGIANCE

3. APPROVAL OF MINUTES

(00:00:55) Motion for the approval of the minutes of the special meetings of May 31, 2007 and June 21, 2007 - Fisker

Motion carried by the following vote:

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

Motion for the approval of the minutes of the special work session of June 5, 2007 – Hara

Motion carried by the following vote:

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

Commissioner Creighton was absent from the subject meeting.

4. SPECIAL ORDER OF BUSINESS

(00:01:56) Introduction of the new Port of Seattle Police Chief, Colleen Wilson

5. UNANIMOUS CONSENT CALENDAR

None.

6. POLICY AND STAFF BRIEFINGS

a. (00:04:08) Report from Port of Seattle Ethics Board

Presentation Documents: Commission Agenda [Memorandum](#) dated June 25, 2007 from Clare Gallagher, Director of Commission Services; and report entitled, "Report to the Port of Seattle Commissioners from the Port of Seattle Ethics Board".

Presenter: John Strait, Chair, Port of Seattle Ethics Board

A copy of the report is, by reference, made a part of these minutes; is marked Exhibit "[A](#)"; and is on file in Port offices.

Prior to moving forward with scheduled agenda items, Public Testimony was allowed as follows, regarding a property lease with the Port of Seattle:

- Linda Olson, GT Towing

b. Seattle-Tacoma International Airport Holiday Decorations – ITEM WITHDRAWN

c. (00:29:21) Property Insurance Follow-up

Presentation Documents: Commission Agenda [Memorandum](#) dated June 28, 2007 from Jeff Hollingsworth, Risk Manager; and computer slide [presentation](#) entitled, "Property Insurance Renewal Recommendation".

Topics discussed:

- Current Property Insurance
- Expiring Property Premium

- Current Property Insurance Deductibles
- Current Property Insurance Limits
- Insurance Premium Factors
- Earthquake Coverage
- Renewal Coverage
- Earthquake Insurance Challenges
- Other Entities
- Options
- Earthquake Coverage Evaluations
- Property Renewal Recommendations

d. (00:55:21) Update on Terminal 30 Container Reactivation and Terminal 91 Cruise Terminal Relocation

Presentation Document: Commission Agenda [Memorandum](#) dated June 25, 2007 from Michael Burke, Director, Cruise and Cargo Services; and Janice Zahn, Seaport Capital Construction Project Manager.

Presenter: Mr. Burke

7. MARINE

None

8. AVIATION

a. (00:56:29) Project-wide authorization for Seattle-Tacoma International Airport Gate Aircraft Utilities Improvements Project for a total of \$9,385,000.

Request Document: Commission Agenda [Memorandum](#) dated June 4, 2007 Michael Ehl, Director, Airport Operations; and Robert Riley, Director, Aviation Capital Improvement Program.

Presenters: Mr. Riley and Doug Honeyman, Airport Operations Development Manager

Motion for approval of Item 8a – Edwards

Motion carried by the following vote:

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

With the approval of Item 8a, staff was given direction from the Commission to return following final design work with any new figures.

Staff authorized: Chief Executive Officer; Managing Director, Aviation Division; Deputy Managing Director, Aviation Facilities and Environmental Programs; Deputy Managing Director, Aviation Development and Finance; Director, Aviation Capital Improvement Program; General Manager, Aviation Facilities and Infrastructure; Program Leader, Aviation Project Management Group; Chief Engineer; General Manager, Port Construction Services; Manager, Procurement Services; and Aviation Project Manager.

b. (01:18:26) Project-wide authorization for the Seattle-Tacoma International Airport Combined Communications and Control Center Uninterruptible Power System Improvements Project for a total of \$2,336,00.

Request Document: Commission Agenda [Memorandum](#) dated June 7, 2007 from Richard Ottele, General Manager, Aviation Facilities and Infrastructure; and Robert Riley, Director, Aviation Capital Improvement Program.

Presenters: Mr. Ottele and Mr. Riley

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; Deputy Managing Director, Aviation Facilities and Environmental Programs; Deputy Managing Director, Aviation Development and Finance; Director, Aviation Capital Improvement Program; General Manager, Aviation Facilities and Infrastructure; Program Leader, Aviation Program Management Group; Chief Engineer; General Manager, Port Construction Services; Manager, Procurement Services; and Aviation Project Manager.

c. (01:28:40) Project-wide authorization for the Seattle-Tacoma International Airport Main Terminal South Low Voltage System Upgrade Project for \$1,925,000.

Request Document: Commission Agenda [Memorandum](#) dated June 8, 2007 from Richard Ottele, General Manager, Aviation Facilities and Infrastructure; and Robert Riley, Director, Aviation Capital Improvement Program

Presenters: Mr. Ottele and Mr. Riley

Motion for approval of Item 8c – Edwards

Motion carried by the following vote:

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

Staff authorized: Chief Executive Officer; Managing Director, Aviation Division; Deputy Managing Director, Aviation Facilities and Environmental Programs; Deputy Director, Aviation Development and Finance; Director, Aviation Capital Improvement Program; General Manager, Aviation Facilities and Infrastructure; Program Leader, Aviation Project Management Group; Chief Engineer; General Manager, Port Construction Services; Manager, Procurement Services; and Aviation Project Manager.

d. (01:30:57) Authorization to purchase five pieces of snow removal equipment for the Seattle-Tacoma International Airport for \$1,900,000.

Request Document: Commission Agenda [Memorandum](#) dated June 20, 2007 from John Christianson, General Manager, Aviation Maintenance; and Michael Ehl, Director, Airport Operations

Presenter: Luisa Bangs, Senior Manager, Aviation Maintenance

Motion for approval of Item 8d – Fisken

Motion carried by the following vote:

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

Staff authorized: Chief Executive Officer; Managing Director, Aviation Division; Deputy Managing Director, Development and Finance; Deputy Managing Director, Aviation Facilities and Environmental Programs; General Manager, Aviation Maintenance; Senior Maintenance Manager, Facilities, Fleet, Systems and Ground; and Manager, Procurement Services.

e. (01:33:49) Authorization to increase authorized amount to complete environmental review studies necessary for implementation of Seattle-Tacoma International Airport's Comprehensive Development Plan by \$350,000 for a total authorization of \$2,850,000.

Request Document: Commission Agenda [Memorandum](#) dated May 21, 2007 from Elizabeth Leavitt, Director, Aviation Environment Programs; and David McCraney, Manager, Environmental review and Permitting

Presenters: Ms. Leavitt and Mr. McCraney

Motion for approval of Item 8e – Edwards

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; Manager, Aviation Environmental Programs; and Manager, Environmental Review and Permitting.

f. (01:45:15) Authorization to execute Tenth Amendment to lease with Kilroy Realty, L.P. for reduction of certain leased office space and to authorize a three-year lease extension for remaining Port leasehold in Kilroy Building #3.

Request Document: Commission Agenda [Memorandum](#) dated May 18, 2007 from Larry McFadden, General Manager, Port Construction Services; Tony Baca, Manager, Airport Building Department; and Luis Navarro, Manager, Aviation Properties.

Presenter: Mr. Navarro

Motion for approval of Item 8f – Fisken

Motion carried by the following vote:

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

Staff authorized: Director, Aviation Business Development; Manager, Aviation Properties.

g. (01:55:30) Resolution No. 3581, First Reading. Acquisition by purchase and/or condemnation of real property know as Town and Country Mobile Home Parks in the City of SeaTac, Washington.

Request Document: Commission Agenda [Memorandum](#) dated April 18, 2007 from W. Allan Royal, Manager, Aviation Property Acquisition and Relocation; and Diane Summerhays, Manager, Aviation Community Development Program

Presenters: Mr. Royal and Stan Shepherd, Manager, Noise Planning and Funding

Motion for approval of Resolution No. 3581, First Reading – Davis

Motion carried by the following vote:

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

9. GENERAL BUSINESS

a. (02:03:55) Resolution 3580, Second Reading and Final Passage. Amending Port By-laws to establish a procedure for recording minutes of Executive Sessions.

Request Document: Commission Agenda [Memorandum](#) dated June 22, 2007 from Craig Watson, General Counsel

Following Commission discussion of Resolution No. 3580, the following motion was made:

Motion to table Second Reading and Final Passage of Resolution 3580 – Hara

Motion approved as follows:

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

b. (02:04:39) Update on North Bay Project

Presentation Document: Commission Agenda [Memorandum](#) dated June 26, 2007 from Mark Griffin, Port-wide Real Estate Manager

Presenter: Mr. Griffin

Following Mr. Griffin's presentation, Commissioner Creighton proposed a motion addressing certain concerns of community members in the North Bay area.

Mr. Creighton read into the record the following statement of support and the proposed motion:

“Last September the Commission sent a letter to the City of Seattle requesting a zoning overlay for the North Bay property, otherwise known as the Interbay Uplands or the T91 Uplands, and we are moving forward to seek Seattle City Council's approval of that legislation. The Commission is committed to a development that makes sense financially for the Port and that benefits the community. Commissioners have heard concerns expressed by community members regarding the speculative development. That has never been our intent, or at least the intent of the Commission, but I would suggest that the Commission assure the community with a motion that states that we will commence development only with a firm commitment from a significant tenant.

Another community concern has been Port planning for access and internal vehicular circulation for the current and future uses at Terminals 90 and 91 and the North Bay site. The Port must ensure coordination between Seaport and North Bay projects, and plan comprehensively to meet the needs of existing tenants, new tenants, cruise ships, fishing vessels, other vessels and other parties. I believe much of the work has occurred or is underway, but the Commission action today will underscore the significance of this project, our direction with this development, and the Port's commitment to its success.”

Be it hereby moved by the Commission, that:

1) The Commission reaffirms its intent to proceed with the development of the North Bay project only with a commitment by an industrial concern to lease a substantial portion of the property proposed to be developed; and

2) The Commission also reaffirms its direction to the CEO to consult and work closely with the Port's maritime and industrial tenants at Terminal 91, the Neighbors Advisory Committee, other community stakeholders and the City of Seattle in developing a roads and traffic plan for the proposed development that addresses the operational needs of existing and future tenants and users of the property.

Commission discussion followed regarding the timing of voting on the proposed motion, and the desire to allow public comment prior to taking the vote.

Motion to direct staff to incorporate the North Bay topic as discussed into the agenda for the next Commission meeting – Edwards

Motion carried by the following vote:

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

10. NEW BUSINESS

a. (02:50:05) Amendments to Port of Seattle Code of Ethics

Presentation Document: Commission Agenda [Memorandum](#) dated June 25, 2007 from Clare Gallagher, Director of Commission Services.

Commissioner Hara read into the record the following statement of support and proposed motion in reference to possible new ethics policies:

Statement in Support of Motion:

The Port of Seattle (the "Port"), as an economic and trade engine for our region, has many tenants, customers, contractors, suppliers and other for-profit and not-for-profit organizations with which it does business in the maritime, aviation, industrial and other sectors of our economy (collectively, the "Port Contractors").

The Port of Seattle Commission recognizes that the Port has many talented employees who may have at one time worked for a Port contractor or who may leave to go to work for a Port contractor in the future.

The Commission believes that the Port, as a special purpose government entity serving the public of King County, should hold its commissioners and employees to the highest ethical standards

The Commission strongly supports organizational policies and procedures that maintain the public's trust and confidence and ensure fair dealings in all Port transactions.

The Commission believes that the Port of Seattle ethics policies for commissioners and port employees should include provisions setting forth reasonable restrictions on (i) former commissioners after leaving office and (ii) former port employees after leaving employment with the Port regarding (1) any such person contracting or subcontracting work from the Port and (2) any other relationship between the Port and any such person that provides such person with financial benefit.

Motion:

The Commission hereby directs Port staff to prepare and submit for approval by the Commission draft amendments to the Port of Seattle Code of Ethics that address the relationship between the Port and former commissioners and Port employees and include the following, consistent with the provisions for employment after public service set forth in the Washington State Code of Ethics for Public Officers (RCW 42.52.080) and similar provisions adopted by other similarly situated local jurisdictions.

High ethical standards, conflicts of interest, confidentiality of Port information, and other provisions consistent with the Port's practice and procedures and RCW 42.52.080. Staff should also review the Ethics Board report of June 28, 2007 with regard to additional provisions for consideration.

1. Provisions requiring former commissioners and Port employees who engage in transactions with the Port to do so consistent with the highest standards of ethical conduct;
2. Provisions (a) prohibiting a former commissioner or Port employee from requesting or otherwise seeking special consideration, treatment or advantage beyond that which is available to every other person and (b) requiring a former commissioner or Port employee to avoid circumstances in which it appears, or to a reasonable person might appear, that the former commissioner or Port employee is requesting or otherwise seeking special consideration, treatment or advantage;
3. Provisions relating to conflicts of interest, (a) prohibiting a former commissioner or Port employee from having a financial interest in a matter with respect to which such former commissioner or Port employee participated in while at the Port, and (b) requiring a former commissioner or Port employee to disclose his or her past Port employment before such person may participate in any such matter;
4. Provisions relating to confidentiality prohibiting, among other things, a former commissioner or Port employee disclosing or using for such person's personal benefit, any privileged or proprietary information gained by reason of such person's Port employment unless the information is a matter of public knowledge or is available to the public on request; and
5. Provisions containing such other ethics policies as the staff recommends consistent with maintaining the highest standards of ethical conduct at the Port, and

consistent with the Port's practices and procedures and RCW 42.52.080. Staff is directed to review the June 28, 2007 report issued by the Ethics Board for any other further suggested best practices.

Commission discussion followed, during which time it was suggested that this item return to an upcoming Commission meeting for vote.

Commissioner Davis requested background information on similar ethics policies adhered to by entities such as the City, County and State. She commented that she would also like to have background on what the employment law is.

Commission Edwards expressed that prior to a vote, any proposed new ethics policies should be reviewed by the Port's Ethics Board.

Commissioner Davis emphasized that not only would she like to have further background information, but would also like to have a public briefing on the topic before a vote to make any further changes.

Prior to recessing, it was noted that Commission trip reports would be on the agenda for the next public meeting.

11. ADJOURNMENT

Seeing there was no further business on the agenda, the meeting was adjourned at 4:30 p.m.

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

Alec Fiskén
Secretary