

Commissioners  
John Creighton  
Chair and President  
Patricia Davis  
Bob Edwards  
Alec Fisker  
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/commissionaudio.shtml>

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

**APPROVED MINUTES  
COMMISSION SPECIAL MEETING OCTOBER 16, 2007**

The Port of Seattle Commission met in a special meeting at 12:00 p.m., Tuesday, October 16, 2007 in the Commission Chambers at Pier 69, 2711 Alaskan Way, Seattle, WA. Commissioners Creighton, Davis, Edwards, Fisker and Hara were present.

**1. CALL TO ORDER**

The regular meeting was called to order at 12:05 p.m. by John Creighton, Chair and President.

**2. EXECUTIVE SESSION pursuant to RCW 42.30.110**

The special meeting was immediately recessed to an executive session to discuss real estate, legal, personnel and public contract matters for approximately one hour and twenty minutes, and reconvened to public session at 1:25 p.m.

**PLEDGE OF ALLEGIANCE**

**3. APPROVAL OF MINUTES**

**(0:00:53) Motion for approval of minutes of regular meeting of August 14, 2007 – Edwards.**

**Motion carried by the following vote:**

**In Favor: Creighton, Davis, Edwards, Hara (4)**

Commissioner Fisken was absent from the subject meeting.

**Motion for approval of minutes of regular meeting of August 28, 2007 – Fisken.**

**Motion carried by the following vote:**

**In Favor: Creighton, Davis, Edwards, Fisken (4)**

Commissioner Hara was absent from the subject meeting.

**Motion for approval of minutes of the work session of September 6, 2007 – Hara.**

**Motion carried by the following vote:**

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

**4. SPECIAL ORDER OF BUSINESS**

**(00:02:05)** Before proceeding with the meeting agenda, the following items were acknowledged by Commissioners:

- Creighton – Recent marriage of reporter Kristen (Bolt) Young
- Davis – New Port logo
- Davis – Recent dedication of the new Tukwila light rail station
- Davis – Second annual Port 101 series

**5. UNANIMOUS CONSENT OF CALENDAR**

**(00:06:43)** Document for signature authorizing payment of outstanding obligation of salaries and claims against the Port of Seattle for the period September 1 through September 30, 2007.

**Motion for approval of Item 5a – Edwards**

**Motion carried by the following vote:**

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

**6. POLICY AND STAFF BRIEFING**

**a. (00:07:00) Potential Refunding Opportunity Using an Interest Rate Swap**

Presentation Documents: Commission Agenda [Memorandum](#) dated September 28, 2007 from Elizabeth Morrison, Sr. Manager, Corporate Finance and computer slide [presentation](#) entitled, “Interest Rate Swaps Proposed Transaction”.

Presenter: Ms. Morrison

Topics addressed:

- Background
- Proposed Transaction
- Next Steps

Ms. Morrison agreed to provide information to Commissioner Fiskin in answer to his request for a briefing in order to review a variety of scenarios.

**b. (00:16:07) 2008 Real Estate, Seaport, and Corporate Operating and Capital Budget.**

Presentation Documents: Commission Agenda [Memorandum](#) dated October 5, 2007 from Dwight Rives, Corporate Budget Manager and computer slide presentations entitled, [“Port of Seattle Real Estate Division 2008 Budget”](#), [“Seaport Division 2008 Budget Workshop Commission Presentation”](#), and [“Port of Seattle 2008 Preliminary Budget – Corporate Professional & Technical Services.”](#)

**(00:16:10) Real Estate Division**

Presenters: Darlene Robertson, Director, Harbor Services and Boni Buringrud, Manager, Seaport Finance and Budget

Topics discussed:

- Real Estate Division Structure
- Transition Issues
- Business Planning and 2008 Budget
- Key Measures
- Full Time Equivalents (FTE's)
- Real Estate Budget Summary
- Org Revenues by Group
- Org Expenses by Group
- Business Group Income from Ops – adjusted for Reorganization
- Summary of Budget Changes
- Risks
- Capital Plan Summary
- Committed Capital Plan
- Committed Capital Under Contract
- Committed Commission Authorized
- Committed Division Pending
- Real Estate Business Plan Prospective

- Business Plan Prospective – Renewal/Enhancement

Following discussion, Ms. Buringrud agreed to provide Commissioners with a breakout of individual units within the Seaport Division (Fishermen’s Terminal, marinas).

Prior to moving forward with the presentation, public testimony was allowed, as follows:

- Herald Ugles, President, ILWU Local 19

Following public testimony, there was Commission discussion regarding future land-use options and the Port’s views on the issue. Commissioner Creighton mentioned that it was hopeful that a letter from the Commission to the City would be sent prior to their October 22 Land-use Hearing.

**(01:25:48) Seaport Division**

Presenters: Phil Lutes, Deputy Managing Director, Seaport Division; Wayne Grotheer, Director, Seaport Finance and Asset Management; and Ms. Buringrud, Manager, Seaport Finance and Budget.

Topics discussed:

- Primary 2008 Seaport Strategies
- Key Business Plan Metrics
- Business Plan Elements
  - Containers
  - Cruise
  - Industrial Docks & Properties
- Business Plan Elements
  - Environmental
  - Project Management
  - Security
  - Planning
  - Finance
- Seaport Operating Budget
  - New Seaport Structure
  - Key Revenue Assumptions
  - Budget Summary
  - Revenues
  - Expenses
  - Summary of Expense Budget Changes
  - New Initiatives
  - Full-Time Equivalents (FTE’s)
  - Risks to Revenues
  - Possible Business Barriers / Risks
  - Expense Trends and Risks

- Seaport Capital Plan
  - Capital Budget Review
  - Capital Plan Summary
  - Committed Capital Plan
  - Committed Capital - Under Contract
  - Committed Capital – Commission Authorized
  - Committed Capital – Division Pending
- Seaport Business Plan Prospective
  - Revenue / Capacity Growth
  - Renewal / Enhancement
  - Environmental Safety

**(02:47:01) Corporate Professional & Technical Services**

Presenter: Dwight Rives, Corporate Budget Manager

Topics discussed:

- Corporate Re-organization
- Corporate Structure
- Budget Approach
- Summary of Major Changes
- Corporate Budget
- Full Time Equivalents (FTE's)
- Corporate 5-year Capital Budget
- Remaining Schedule

Following item 6b, Mr. Yoshitani commented on agenda item 9a regarding CEO Goals and Objectives, saying that the interim report was discussed in the earlier executive session, and there was nothing at this time to report in public session.

Commissioner Creighton, referencing the Mayor's land-use proposal, reported that a letter of Port Commission support had now been drafted and would be sent to the City before their October 22 land-use hearing. A copy of the letter is by reference, made a part of these minutes, is marked Exhibit "A", and is on file in Port offices.

Commissioner Fisker mentioned his previous request to address the Aid to Seafarers issue on the next agenda.

Commissioner Hara commented that it would be helpful to also review and discuss potential upcoming legislation, in addition to the Seafarers, as related to the Port.

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Commissioner Edwards added that it might be helpful to understand what the Washington Public Ports Association (WPPA) had planned for the upcoming legislative session.

Commissioner Davis relayed information on the recent celebration of the Port's relationship with Kobe, Japan as a Sister City (50 years) and a Sister Port (40 years).

**11. ADJOURNMENT**

There being no further business, the meeting was adjourned at 4:35.p.m.

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

Alec Fiskien  
Secretary