

MAY 22, 2001

**MINUTES OF THE REGULAR MEETING OF THE PORT COMMISSION OF THE
PORT OF SEATTLE**

The Port of Seattle Commission met in a regular meeting at 12:00 p.m., Tuesday, May 22, 2001 in the Auditorium at Seattle-Tacoma International Airport. Commissioners Block, Davis, Edwards, Miller and Nordquist were present.

1. CALL TO ORDER

The regular meeting was called to order at 12:00 p.m. by Clare Nordquist, Chair and President.

2. EXECUTIVE SESSION

The meeting was immediately recessed to an executive session for approximately one hour and fifteen minutes to discuss real estate and litigation matters.

3. APPROVAL OF MINUTES

Commissioner Edwards moved approval of the proposed minutes of the special meetings April 11 and April 19, 2001, without reading into the record. **Motion carried.** (Commissioner Block was not in attendance at the subject meetings and did not vote.)

4. SPECIAL ORDER OF BUSINESS

None.

5. UNANIMOUS CONSENT CALENDAR

None.

6. POLICY AND STAFF BRIEFING**10. MARINE ITEMS**

None.

8. AVIATION ITEMS

- a. Request was presented for approval of Third Runway Wall Art Design.

Presenter: Michele Fideler, Third Runway Assistant Project Manager, and Jolene Culler, Aviation Art Program Manager.

Request Documents: Commission Agenda Memorandum dated May 4, 2001 from Michael Cheyne, Third Runway Program Manager, and Ms. Fideler; artist rendering of artwork concept; and map defining artwork location.

SCOPE OF WORK

The Artist was selected to develop a design for the walls and to collaborate with the Landscape Architect on the surrounding landscaping. The design will include construction specifications and drawings, which will be included in the construction documents for the next embankment contract. The art design will be cast in the face of the five-by-five-foot cross-shaped concrete panels that form the walls. As in a jigsaw puzzle, each panel will be a small piece of the whole picture. The theme of the artist's design is based on her research of the Pacific Northwest.

As reported in the request document, after some analysis, the Third Runway Project Team determined that the north runway embankment wall and the area surrounding it would be the

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most visible to the public, and therefore the best site for the artwork that is called for in the project budget. Staff members from the City of SeaTac were consulted and they concurred. Based on those discussions, Port staff pursued the development of art elements for the north runway wall and surrounding landscaping, as well as the most visible portions of the west wall.

On October 23, 2000 a "Call to Artists" was mailed to approximately 52 artists on the combined King County Public Art Program, Seattle Arts Commission, and Sound Transit design team registries. The Call was also posted on the Port's web site. Ten responses were received which was a reasonable number of responses given the specific experience required.

On November 27, 2000 the art selection panel, comprised of two public artists and the Third Runway Program Manager, reviewed the applications and selected four artists for interviews the following week.

On December 4-5, 2000, the panel interviewed the four applicants and selected Carolyn Braaksma, an artist based in Denver, Colorado. She has done numerous public art projects in Colorado, Arizona and other parts of the country. With a background in commercial construction, the principal medium she employs is concrete. Braaksma produced several initial concepts, which have been narrowed down to a final concept that was approved by the Art Oversight Committee on May 9, 2001.

FINANCIAL IMPLICATIONS

Cost estimate

The budget identified for the wall art is \$257,000. This amount includes approximately \$65,000 for design and administration, and \$192,000 for construction.

Source of funds

The budget for this project is included in the Third Runway CIP #100172.

PROJECT SCHEDULE

The art design and construction documents must be complete by the end of July 2001, for inclusion in the next embankment contract. Between now and July 23, 2001 the artist will continue to refine the design for application to the wall system. We have provided briefings to the City of SeaTac through a Joint Advisory Committee meeting on April 26, 2001 and their City Council meeting on May 15, 2001. The City is supportive of the concept.

Commissioner Davis requested staff consult with an ornithologist to determine whether the proposed artwork, which includes bird images, might attract other birds.

Commissioner Edwards requested that the Burien City Council be provided an opportunity to review and comment on the proposed artwork because of the artwork location and, stated that he would prefer to hear their comments before voting on the item. Commissioner Miller, Commission representative on the Art Oversight Committee, discussed the art selection process and noted the City of SeaTac has reviewed the proposed artwork. Ms. Miller also discussed the project timeline as it relates to Commission approval of the artist's concept leading to final design and the impact of postponing action on Item 8a to the July 23, 2001 Commission meeting. Commissioners Nordquist and Miller each noted that while they, too, are interested in input or comment from the City of Burien, they does not have veto power over the proposed artwork.

Commissioner Miller moved approval of Item 8a. **Motion carried; Commissioner Edwards voting, "no".**

b. Resolution No. 3458, "A RESOLUTION of the Port Commission declaring certain residentially improved real property located in the Transaction Assistance Area of the Noise Remedy Program surplus and no longer needed for Port purposes and authorizing its sale", was introduced.

Presenter: Jazzi Richardson, Manager, Noise Remedy.

Request Document: Commission Agenda Memorandum dated April 17, 2001 from Nata Natarajan, Airport Development Manager.

SCOPE OF PROJECT

This project will allow the following residentially improved real property to be marketed and sold on the open market:

21404 15th Avenue South, Des Moines 98198
13845 Des Moines Memorial Drive, Seattle 98198

FINANCIAL IMPLICATIONS

Revenue

Income		\$425,000.00
Expense	(sales commission, closing costs)	\$ 34,625.00

Sales Commission

The sales commission for this project meets the terms and conditions as specified in Port Real Estate Procedures for the Sale of Port Real Property. The total commission will be 5.5 percent (5.5%) of the first \$100,000 and three percent (3%) for the remainder of each sale.

Destination of Funds

The funds generated will be used to offset the purchase prices. The cost difference, if any, between the purchase price and selling price will be funded by the FAA and/or by Passenger Facility Charge Funds. The profit difference, if any, will be used to offset other Noise Remedy Program costs.

As reported in the request document, the Port Commission by Resolution No. 2943, as Amended, adopted an updated Noise Remedy Program and by Resolution No. 3062, modified the Program with a Mediation Agreement. These actions authorize the purchase of certain residentially improved real property related to the operation of Sea-Tac International Airport as part of the Noise Remedy Program, in the Transaction Assistance area. The circumstances under which the Port would purchase these properties relate to their location immediately adjacent to Port property, and/or the inability of the property owner to sell the property (located in the Noise Remedy Neighborhood Reinforcement Area), through the normal real estate market, at or near the fair market value. The Port would then resell the property.

Commissioner Block moved first reading of Resolution No. 3458. **Motion unanimously carried.**

c. Resolution No. 3459, "A RESOLUTION of the Port Commission of the Port of Seattle declaring certain personal property surplus for Port purposes and further declaring that said property should be sold or disposed of as provided by statute (Oshkosh T-3000 POS #133, Truck #765)", was introduced.

Presenter: Mike Mandella, Fire Chief.

Request Document: Mr. Mandella's Commission Agenda Memorandum dated April 25, 2001.

As reported in the request document, pursuant to the Fire Department Apparatus Replacement Master Plan, this vehicle has exceeded its useful life as a first line response and/or reserve vehicle. A replacement vehicle, previously authorized for purchase by Commission on October 21, 1999, has been received, tested, accepted and is now in service. Commission approval is sought to sell the 1988 Oshkosh T-3000, POS #133, Truck #765, Aircraft Rescue and Firefighting vehicle in cooperation with the Port's Purchasing Department through a broker specializing in the sale of airport equipment. The estimated range of resale value for this vehicle

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is between \$35,000 and \$50,000. Proceeds from sale will be directed to the Port of Seattle general fund.

Commissioner Miller moved first reading of Resolution No. 3459. **Motion unanimously carried.**

9. GENERAL BUSINESS

a. The Commission regular meeting was recessed to a special meeting of the Industrial Development Corporation (IDC) of the Port of Seattle. Following its adjournment, the regular meeting of the Port Commission was reconvened.

b. Resolution No. 3424, "A RESOLUTION of the Port Commission of the Port of Seattle approving the issuance by the Industrial Development Corporation of the Port of Seattle of its Special Facilities Revenue Bonds, 2001 (Northwest Airlines, Inc. Project) in the principal amount of \$70,000,000* for the purpose of paying the costs of financing certain industrial development facilities; and approving the resolution of said Development Corporation authorizing said bonds and other documentation in connection with the issuance of said bonds", was presented.

Presenter: Elizabeth Morrison, Finance Manager.

Request Document: Ms. Morrison's Commission Agenda Memorandum dated May 11, 2001.

As reported in the request document, on October 24, 2000 the Port Commission approved first reading of Resolution No. 3424 which approves Resolution 61 of the Industrial Development Corporation of the Port of Seattle (IDC), authorizing the issuance and sale of IDC Special Facility Revenue Bonds for leasehold acquisition and construction of a hangar by Northwest Airlines at Sea-Tac International Airport. The Bonds will be priced on May 22, 2001 and Resolution 61 will be presented for approval by the IDC Board on that date. The Port of Seattle, as the creating municipality of the IDC, is required by state law to approve agreements by the IDC to issue bonds.

RESOLUTION NO. 3424

Resolution No. 3424, approves the adoption by the Industrial Development Corporation of Resolution No. 61 authorizing the issuance of Special Facilities Revenue Bonds for the purpose of paying or reimbursing the costs of leasehold acquisition and capital improvements related to the Northwest hangar project at Sea-Tac International Airport in the estimated amount of \$70,000,000. The resolution will be changed to reflect the bond pricing. There are no other substantive changes.

Public testimony against the adoption of Industrial Development Corporation (IDC) Resolution No. 61 was received during the special meeting of the IDC (Item 9a on today's agenda). An audio tape of the testimony is on file in Port office.

Commissioner David moved to amend Resolution No. 3424. **Motion carried; Commissioner Block voting, "no"; Commissioner Nordquist was absent for the vote.**

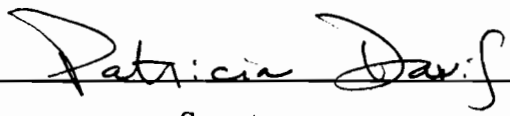
Commissioner Davis then moved second reading and final passage of Resolution No. 3424, as Amended. **Motion carried; Commissioner Block voting, "no"; Commissioner Nordquist was absent for the vote.** Thereupon Resolution No. 3424, as Amended, was declared passed and duly authenticated in open public session by the signatures of the Commissioners voting in favor thereof and the seal of the Commission.

2. EXECUTIVE SESSION

The regular meeting was then recessed to executive session for approximately two hours and fifty-five minutes discuss real estate, personnel and litigation matters.

11. ADJOURNMENT

The meeting was reconvened and immediately adjourned at 4:50 p.m.



Secretary