

August 13, 1985

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

The Port Commission met in regular session in the Commission Chambers at 2:00 p.m. on Tuesday, August 13, 1985. Commissioners Aronson, Block, Friedlander, Simonson, and Wright were present. An attendance register for voluntary signature by others attending today's meeting is on file with Port Commission records in Port offices.

1. CALL TO ORDER AND APPROVAL OF MINUTES:

The meeting was called to order by Jack S. Block, President of the Port Commission, and Mr. Friedlander moved approval of the minutes of the Port Commission Regular Meeting of July 23, 1985. Motion unanimously carried.

2. SPECIAL ORDER OF BUSINESS:

a. Resolution No. 2972, "A RESOLUTION of the Port Commission of the Port of Seattle declaring August 13 the official commencement of the 1985 United Way Campaign for the Port of Seattle, the first time the Port has been chosen to be a "Pacesetter," was introduced. By memorandum dated August 6, 1985, James D. Dwyer, Executive Director, noted that the Port employees' United Way Campaign funding goal of \$33,000, to be achieved in late August, has been established. The Port will report employee contributions a week ahead of other United Way participating organizations in King County. Commissioner Simonson moved to waive first reading; that rules be suspended; and that Resolution No. 2972 be placed on second reading and final passage. Motion unanimously carried. Commissioner Simonson then moved second reading and final passage of Resolution No. 2972. Motion unanimously carried, and upon call of the roll the vote was as follows: Mr. Aronson, "aye"; Mr. Block, "aye"; Mr. Friedlander, "aye"; Mr. Simonson, "aye"; Mr. Wright, "aye." Thereupon Resolution No. 2972 was declared to be passed and the same then duly authenticated in open session by the signatures of the Commissioners voting in favor thereof and the seal of the Commission.

b. West Seattle Low-Level Bridge - City of Seattle Presentation. Eugene Avery, Director, City Engineering Department; Bruce Wassell, Director of Engineering Design; and Frank Yanagimachi, Project Manager, presented an update on the status of the Low-Level Bridge project. Mr. Yanagimachi advised that the City Council has approved City Engineering staff's design recommendation and that the plans and specifications prepared by the City's consultant are approximately 90% complete. Current estimated cost for the completion of the project is \$61.03 million.

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c. Resolution No. 2971, "A RESOLUTION of the Port Commission of the Port of Seattle, King County, Washington, pertaining to the redevelopment of Terminal 91, amending Resolution No. 2916 and adopting by reference the first amendment to the Terminal 91 Short Fill Redevelopment Agreement and the Terminal 91 Noise Measurement Protocol," was introduced. The Terminal 91 Short Fill Redevelopment Agreement was signed by the Port and the Magnolia and Queen Anne Community organizations in October, 1983. This binding agreement resolved issues in dispute regarding the "short fill" phase of redevelopment of Terminal 91, particularly the mitigation of adverse impacts. The Terminal 91 Agreement establishes noise limit levels consistent with the Seattle Noise Ordinance. Over the past year, the Port has made several attempts to quiet equipment that did not comply with Agreement standards. In addition, per the Agreement and with the concurrence of the Neighbor's Advisory Committee (NAC), traffic and noise consultants were hired to analyze why Agreement levels were exceeded. All recommended changes to the Terminal 91 Short Fill Redevelopment Agreement, as discussed below, have now been approved by the Magnolia Community Club and Queen Anne Community Council. In the area of traffic, it was concluded that agreement levels were exceeded not because of Terminal 91 generated traffic, but rather because of increased community traffic. For this reason, it was recommended that the Agreement be amended to reflect more appropriate levels. In the area of noise, it was determined by a Port-hired consultant that noise limit violations were caused by errors in setting the original limits and vague, unreliable noise measurement standards. The NAC committee has approved a series of changes to the Agreement, and a new Noise Protocol which sets forth detailed noise measurement procedures. The Port and NAC are continuing to assess other noise sections of the Agreement pertaining to unanticipated equipment to determine whether additional "fine tuning" of the Agreement is needed. Both the Port and NAC agree some further changes may be necessary; however, additional data is required first. Port staff and a NAC subcommittee are now working on this issue. By the proposed amendment to Resolution No. 2916, the Port Commission also authorizes the Port Executive Director to sign any future amendments to the Protocol. Other housekeeping items accomplished by the amendment include the deletion of the appointment of the Director of Planning and Research as a named Port representative to NAC to reflect the recent reorganization changes; authorization for the Executive

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Director to name principal Port representative and other Port representatives to NAC; and a definition of what constitutes a quorum for NAC. Richard D. Elmore, Chairperson, Neighbor's Advisory Committee, spoke in support of the First Amendment to the Terminal 91 Short Fill Redevelopment Agreement and urged adoption of Resolution No. 2971. He acknowledged and complimented the spirit of cooperation between the communities and Port staff. Commissioner Simonson then moved to waive first reading; that rules be suspended; and that Resolution No. 2971 be placed on second reading and final passage. Motion unanimously carried. Commissioner Simonson then moved second reading and final passage of Resolution No. 2971. Motion unanimously carried and upon call of the roll, the vote was as follows: Mr. Aronson, "aye"; Mr. Block, "aye"; Mr. Friedlander, "aye"; Mr. Simonson, "aye"; Mr. Wright, "aye." Thereupon Resolution No. 2971 was declared to be passed and the same then duly authenticated in open session by the signatures of the Commissioners voting in favor thereof and the seal of the Commission.

3. UNANIMOUS CONSENT CALENDAR:

Commissioner Wright moved approval of Unanimous Consent Calendar items No. 3a and 3b as follows:

a. Under the Unanimous Consent Calendar Commissioner Wright moved that the Director of Accounting and Port Auditor be authorized, and she is hereby directed, to pay the outstanding salaries and claims against the Port of Seattle as evidenced by vouchers on the following funds and to cancel warrants outstanding one year or more to date of Commission meeting, per Resolution No. 2601:

WARRANTS ISSUED ON VARIOUS FUNDS DURING THE PERIOD JUNE 1, 1985 THROUGH JUNE 30, 1985:

WARRANTS NO.	54308 - 56556	
	878814 - 882714	
*General Fund		\$14,182,913.75
Airport Development Fund		\$ 1,610,656.26
Construction Fund 79A		\$ 29,480.89
Construction Fund 79B		\$ -
Construction Fund 85A		\$ 596,466.25

\*Includes Promotional Hosting Expense of Commissioners in the amount of \$0.

CANCELLATION OF WARRANTS OUTSTANDING ONE YEAR OR MORE TO DATE OF COMMISSION MEETING PER RESOLUTION NO. 2601:

A031717	GEN FUND	\$165.00
A033161	GEN FUND	10.00

Motion unanimously carried.

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b. Request for approval of Tariff Memo No. 136 to authorize amendment to Port of Seattle Terminal Tariff No. 3, F.M.C.-T No. 4 was presented as follows:

TARIFF MEMO NO 136

Port of Seattle Terminal Tariff No. 3, F.M.C.-T No. 4

1. Amend Item 4310 to establish a \$50.00 rate at Container Freight Station for use of working areas and care, custody and control of containers and/or contents when no handling, stuffing or unstuffing operation is performed.
2. Amend Item 8000(E) to delete reference to CFS and add the following underlined language to the third sentence:  

All containerized cargo utilizing such non-waterfront facilities or programs which does not have a prior or subsequent physical loading or discharge at Port-leased or Port-operated waterfront facilities or air cargo which does not move to or from Seattle-Tacoma International Airport shall be assessed the per container rates as provided in Item 8130 in addition to all other applicable charges.
3. Amend Item 8130 to delete reference to CFS and etc. and establish Notes 2 and 3 as follows:  

Note 2: Pickup of LCL Port of Seattle warehouse cargo at other than Port of Seattle CFS, apply \$25.00 per pickup.

Note 3: When provisions of Item 4310(B) are applied, above charges will be reduced by \$25.00 per container.

All rules, regulations and charges conflicting with provisions of the revised pages are hereby repealed.

The Tariff Issuing Agent will file the following said schedules with the Federal Maritime Commission reflecting these changes on:

Port of Seattle Terminals Tariff No. 3, F.M.C.-T No. 4  
 3rd Revised Page No. 77 Correction No. 339  
 2nd Revised Page No. 132 Correction No. 341  
 6th Revised Page No. 134A Correction No. 342

The proposed effective date of these changes is September 1, 1985.

Under the Unanimous Consent Calendar, it was moved by Commissioner Wright that Tariff Memo No. 136 be approved.

Motion unanimously carried.

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4. AVIATION ITEMS:

a. Request was presented for authorization to extend the taxicab moratorium at Sea-Tac International Airport and establish a directive on No Transfer of Taxicab Permits. The Port Commission at its meeting on February 28, 1984 authorized an 18-month moratorium on issuing new taxicab permits at Sea-Tac International Airport for the period March 16, 1984 to September 16, 1985. Vernon L. Ljungren, Director of Aviation, advised that since the moratorium has been in effect, permits have been reduced from 236 to 201. He stated however, that a further reduction of fifty taxicabs would appear to provide sufficient service to the airport. In Commission agenda memorandum dated July 24, 1985, Charles Blood, Director, Aviation Operations indicated that three options for reducing the number of cabs at the airport were presented to taxicab owners for comment in March of 1985. These included (1) buying back permits and potentially vehicles, (2) limiting transfer of permits, and (3) a reduction in the number of permits to be sold by a lottery system. The taxicab owners/operators indicated at that time their interest in having the Port implement the buy-back option. In response to Commissioner Aronson's question, Vernon Ljungren clarified that the majority of taxicab owners/operators, as of June, 1985, no longer favor the buy-back option.

Public testimony was then received from:

1. Harold Watai, Harbor Enterprises, Inc. - Mr. Watai, as an owner of twenty airport taxicab permits, stated his opposition to the proposed prohibition on transfers of permits, which he indicated would impact his sales of taxicab vehicles/permits. He also questioned whether a decrease to 150 taxicabs would provide adequate service to the public at the airport and expressed his concern regarding the Yellow Cab rate issue. Mr. Watai presented to the Commission a copy of a transportation information leaflet that, through an unidentified source, was made available at the airport. He indicated his concern that the leaflet falsely advertised transportation rates. A copy of the leaflet is, by reference, made a part of these minutes, is marked Exhibit "A," and is on file in Port offices.
2. Ray Lead, taxicab owner and member of the Taxicab Committee - Mr. Lead spoke in favor of the moratorium to reduce the number of cabs to 150.

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3. Jenny Lead, taxicab owner and operator - Ms. Lead spoke on the need to protect those individuals who are in the process of purchasing taxicabs if the proposed no-transfer policy is implemented. She stated her support for the extension of the moratorium to reduce the number of cabs to 150 and expressed her concerns regarding the Yellow Cab rate issue. Ms. Lead also made available to the Commission a transportation information leaflet that was available, through an unidentified source, at the airport and questioned the appropriateness of its content. A copy of the leaflet is, by reference, made a part of these minutes; is marked Exhibit "B," and is on file in Port offices.
4. Gary Snyder, taxicab owner and member of the Taxicab Committee - Mr. Sayler spoke in support of the extension of the moratorium and also discussed concerns regarding the Yellow Cab rate issue.

In response to concerns voiced by taxicab representatives, Commissioner Block indicated that Port staff would review the Yellow Cab rate issue.

Commissioner Wright moved to accept staff recommendations to extend the moratorium on the sale of taxicab permits until the number of outstanding permits drops below 150 permits, and that permits sold commencing September 9, 1985 provide that such permits are not transferable. Commissioner Aronson then requested two amendments be made to the motion to provide (1) that those individuals who can provide the Port with proof that they were purchasing a taxicab vehicle and permit as of midnight August 12, 1985 be allowed to have the permit transferred to them upon completion of the purchase, and (2) that permits only be issued in the name of an individual rather than a corporation. Following discussion of the amendment, Commissioner Wright withdrew his motion. Laura Chadwick, taxicab driver, also appeared before the Commission and noted that she is in the process of buying two taxicabs from Mr. Watai and expressed her opposition to the proposed reduction in the number of cabs and to the proposed no transfer policy.

Commissioner Aronson then moved to approve the following: (1) to extend the taxicab moratorium until the number of outstanding permits drops below 150 permits, (2) that permits sold commencing September 9, 1985 provide that such permits are not transferable; (3) that those individuals who can provide the Port with proof that they were purchasing a taxicab vehicle and permit as of midnight August 12, 1985 be allowed to have the permit transferred

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to them upon completion of the purchase; and (4) that permits sold commencing September 9, 1985 be issued only in the name of an individual rather than a corporation. Motion carried. Commissioner Friedlander, "abstain."

b. Request was presented for execution of Consent to First Amendment to Sublease between the Greater Highline Community Parks Board and the North Sea-Tac Park Equestrian Association, Sea-Tac International Airport. On April 28, 1981, the Port Commission executed a Basic Lease with the Greater Highline Community Parks Board for the leasing of 50 acres of Port property, located north of Sea-Tac International Airport, for community recreational purposes in accordance with the North Sea-Tac Park Master Plan. Subsequently, the leased area was increased by 7.4 acres to 57.4 acres by a First Amendment to the Basic Lease dated April 24, 1984. On June 8, 1982 the Port Commission consented to a sublease between the Greater Highline Community Parks Board and the North Sea-Tac Park Equestrian Association for 2.2 acres of the 57.4 acre area. This First Amendment to Sublease between the Greater Highline Community Parks Board and the North Sea-Tac Park Equestrian Association is for the purpose of enlarging the subleased premises from 2.2 acres to 14.5 acres, effective September 1, 1985. The Consent to First Amendment to Sublease provides for compliance by lessee with all conditions required of the lessor in the Basic Lease between the Port and the Greater Highline Community Parks Board. Moved by Mr. Simonson that the president and secretary be, and they are hereby authorized to execute, on behalf of the Port of Seattle, the Consent to First Amendment to Sublease between the Greater Highline Community Park Board and North Sea-Tac Park Equestrian Association. Motion unanimously carried.

c. Request was presented for authorization to amend Sea-Tac International Airport Tariff No. 1 to establish a schedule of monthly public parking fees effective August 13, 1985. At the April 18, 1985 Commission Work Session, Port staff outlined the proposed conversion of the first floor of the Airport Parking Terminal from public to pre-sold monthly parking. This amendment to Tariff No. 1 formalizes the fee for the monthly public parking. By Commission memorandum dated July 24, 1985, Charles Blood, Director of Aviation Operations, advises that conversion of the first floor of the Terminal, which has approximately 375 public parking stalls available, will increase the utilization of the Parking Terminal and accordingly reduce the estimated yearly 1,100 unused spaces. He further reported that assuming a 5% growth rate, the first floor of the Parking Terminal could be used for monthly parking for

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approximately the next three years with little inconvenience or loss of service to the regular patrons of the Parking Terminal. An \$85.00/month parking charge generated from each of the 375 stalls would produce a total gross revenue of approximately \$382,500/per year. Moved by Mr. Friedlander that the Director of Aviation Operations be authorized to amend Sea-Tac International Airport Tariff No. 1 to establish a schedule of charges for parking terminal monthly public parking fees at Sea-Tac International Airport effective August 13, 1985. Motion unanimously carried.

d. Request for execution of a License Agreement between the Port of Seattle and the Greater Highline Community Parks Board for the siting of the Morasch House on Port property at Sea-Tac International Airport was presented as follows:

Summary of License Agreement

Licensee:	Greater Highline Community Parks Board.
Term:	Twenty-four (24) months beginning August 31, 1985.
Renewal Option:	If obligations are fulfilled under the License Agreement, the Port may enter into a lease with the Parks Board with a term to run concurrent with the Parks Board's (current) Basic Lease.
Use:	Siting of the Morasch House for a museum and public park facility.
Premises:	One (1) acre lying west of Tub Lake in the North Sea-Tac Park (not presently within the Park Board's leased area).
Permits and Approvals:	Licensee's sole responsibility for obtaining all necessary permits and approvals in any way associated with the project.
License Fee:	Ten Dollars (\$10.00) per annum.
Termination:	(1) Sixty (60) days advance written notice for a major capital improvement. (2) If update of North Sea-Tac Park Plan does not provide for an approval of the siting within the Park. (3) Failure to place the Morasch House on its permanent foundation on the Park site within three months after approval under update of the Park Plan. (4) Taking by any federal, state or local government by condemnation or otherwise. (5) Bankruptcy or insolvency of licensee.
Performance Bond:	In the amount of twenty-five thousand dollars (\$25,000.00) conditioned on the performance of this agreement.
Utilities and Maintenance:	Licensee's sole expense.
Security:	Licensee's sole expense and responsibility to include security fencing around the project.
Insurance:	Combined single limit of Five Hundred Thousand Dollars (\$500,000.00) for bodily injury, death and property damage, and excess liability umbrella form of Three Million Five Hundred Thousand Dollars (\$3,500,000.00) for bodily injury, death and property damage.



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Other Conditions: By letter dated May 3, 1985, the FAA informed the Port that permanently establishing the Morasch House on a site, acquired with Airport Development Aid Project (ADAP) funds, in the North Sea-Tac Park would require that the current fair market value of the property be reinvested in an Airport Improvement Project (AIP) at the time of such permanent siting.

When such reinvestment is required by the FAA, the Parks Board will make payment to the Port for the value as determined by the FAA prior to obtaining permanent siting. On termination of this agreement, if the Parks Board is unable to perform any of its obligations under this License Agreement, the Morasch House will be demolished and/or removed from the property at no cost to the Port.

If King County or any other governmental entity will not accept the park property with the Morasch House sited thereon, then the Port will have the ability to terminate the occupancy by the Parks Board and require the removal and/or demolition of the Morasch House within thirty (30) days written notice at no cost to the Port.

Port may transfer this License Agreement without the consent of the Parks Board.

Vernon L. Ljungren, Director of Aviation, advised that per the direction of the Commission at the August 8, 1985 Informal Work Session, Port staff met with Dottie Harper, Greater Highline Community Parks Board, to discuss her concerns relating to the provisions of the License Agreement, particularly with respect to the siting of the Morasch House in North Sea-Tac Park being conditional to the update of the North Sea-Tac Park Plan. Mr. Ljungren expressed his belief that if the siting of the House was presented as a part of the North Sea-Tac Park, the FAA would not require reinvestment; but if it were separate from the Park, FAA may require reinvestment. Per verbal presentation by Mr. Ljungren, the estimated market value of the acre of land is approximately \$130,000.00. Further details on conditions of the License Agreement are contained in Commission memorandum dated July 30, 1985 from Michael S. Lyons, Director of Facilities and Real Estate. In response to Commissioner Simonson's inquiry, Mr. Ljungren advised that the Airline Committee has been apprised as to this proposed Morasch House License Agreement. Commissioner Aronson moved approval of the License Agreement for the Morasch House between the Port of Seattle and the Greater Highline Community Parks Board at Sea-Tac International Airport and that the president and secretary be, and they are hereby authorized, to execute said License Agreement on behalf of the Port of Seattle. Motion unanimously carried.

Items 4e and 4f were reversed in order of consideration as follows:

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f. Request was presented for execution of Eighth Amendment to Concession Agreement L-774 with Host International, Inc. at Sea-Tac International Airport. On December 11, 1984, the Port Commission approved a Seventh Amendment to the Host Concession Agreement to conditionally add two 5-year options which would, if exercised, extend the term of the agreement to December 31, 2004. The Seventh Amendment also provided for Host to enter into limited partnership agreements with certifiable minority and women business enterprises with respect to Host's operations at Sea-Tac International Airport. The effectiveness of the Seventh Amendment was subject to the consent of the Federal Aviation Administration ("FAA"). The FAA has not consented to the Seventh Amendment, asserting that Host's implementation of the Seventh Amendment sublease provisions insufficiently complied with the requirements of Department of Transportation Minority Business Enterprises (MBE/WBE) regulations. The Eighth Amendment will reenact the Seventh Amendment, dated December 11, 1984, subject to the same condition precedent of FAA approval of provisions relating to a sublease for the benefit of Minority Business Enterprises and Women Business Enterprises. Reenactment of the Seventh Amendment is supplemented by additional provisions as set forth in Commission agenda memorandum dated July 31, 1985 from Michael S. Lyons, regarding the MBE/WBE sublease which, the FAA has advised, will satisfy their interpretation of applicable Department of Transportation regulations in 49 C.F.R. Part 23. The additional provisions include:

	<u>Basic Lease, if amended</u>	<u>Eighth Amendment</u>
Minority and Women Business Enterprise Participation:	Host must enter into a sublease agreement with Host International of Seattle, Ltd., a limited partnership, for the benefit of Minority and Women Business Enterprise within ninety (90) days from date of Seventh Amendment.	Same, except that the 90-day period be changed to three (3) business days after notification of FAA approval of this Amendment.
Bookstore Operation:		Sublessee will subcontract the operation of a bookstore to be located near the junction of Concourses C and D, or such other area as may be agreed upon by the parties, which will sell hard cover and soft cover books but no dated printed material such as magazines and newspapers. The operator of the bookstore will be an MBE or WBE, other than the limited partnership, to be selected by advertised

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competitive negotiations subject to approval by the Port and subject to certification with regard to MBE/WBE requirements by the Seattle Human Rights Department.

Additional  
MBE/WBE  
Participation:

As Host exercises each renewal option granted by this Amendment (January 1, 1995-December 31, 1999 and January 1, 2000-December 31, 2004), Host and the Port will review the potential for increasing MBE and WBE participation in Host's activities at Sea-Tac beyond the then immediate participation of MBE and WBE as provided in this Amendment.

Vernon L. Ljungren, Director of Aviation, confirmed that the FAA does agree with the provisions of the Eighth Amendment of the Concession Agreement. Moved by Commissioner Wright that the president and secretary be, and they are hereby authorized to execute, on behalf of the Port of Seattle, the Eighth Amendment to Concession Agreement L-774 with Host International, Inc. Motion unanimously carried.

e. Robert A. Duin, Chief Systems and Support Engineer, reported that M. D. Moore Company, Inc., has completed contract No. 820-0332 for the South Satellite B.I.T.S.--Station 16 Relocation at Sea-Tac International Airport and recommended that the work be accepted at this time. The original contract proposal was \$312,000. There were two executive-authorized revisions in scope totaling an increase of \$10,465, resulting in a total contract price of \$322,465.00 (exclusive of Washington state sales tax). Moved by Commissioner Simonson that the work be, and it is hereby accepted, subject to retention of certain funds per RCW 60.28.010 for a period of thirty (30) days for filing of liens and claims, and if no liens or claims are filed, final payment is authorized. Motion unanimously carried.

##### 5. MARINE ITEMS

a. Request was presented for execution of the First Amendment to Lease No. L-1469 with Flex-Van Container Chassis at Terminal 115. Frank Clark, Director of Marine Terminals, advised this amendment provides for an adjustment in rental rates for a five-year period beginning August 1, 1985, pursuant to Basic Lease, paragraph 3b. For two years beginning August 1, 1985, the rental for 245,027 square feet of yard space, S.W. corner of Terminal 115,

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will increase to \$12,251.35 per month. For the remaining three years, beginning August 1, 1987 and ending July 31, 1990, the rental for this area will increase to \$13,476.49 per month. Mr. Clark, in response to Commissioner Aronson's question, advised that comparisons were made of ground rents charged by three neighboring non-Port properties and that the proposed rental is consistent with rents being charged in this area. Moved by Commissioner Simonson that the president and secretary be, and they are hereby authorized to execute on behalf of the Port of Seattle, the First Amendment to Lease L-1469 with Flex-Van Container Chassis at Terminal 115, subject to verification of liability insurance and receipt of surety. Motion unanimously carried.

b. Request for approval of Tariff Memo No. 135 to authorize amendment to Port of Seattle Terminal Tariff No. 3-FMC-2 No. 4, was presented as follows:

TARIFF MEMO NO. 135

Port of Seattle Terminals Tariff No. 3, F.M.C.-T No. 4:

1. Increase Temporary Non-Preferential Assignment rates as provided in Item 2000 by 10%. The last increase was 6.6% effective August 1, 1984.
2. Increase NOS Wharfage rate as provided for in Item 3040 by 10%. The last increase was 6.6% effective August 1, 1984.
3. Increase Dockage rates as provided for in Item 7000 by 8.25%. The last increase was 5% effective August 1, 1984.

All rules, regulations and charges conflicting with provisions of the revised pages are hereby repealed.

The Tariff Issuing Agent will file the following said schedules with the Federal Maritime Commission reflecting these changes on:

Port of Seattle Terminal Tariff No. 3, F.M.C.-T No. 4

4th Revised Page No. 48 Correction No. 343

5th Revised Page No. 53 Correction No. 344

5th Revised Page No. 129 Correction No. 345

6th Revised Page No. 130 Correction No. 346

The proposed effective date of these changes is September 13, 1985.

Mr. Peter Hinge, Inter Ocean Steamship Corporation and Puget Sound Steamship Operators Association liaison, appeared before the Commission to request that Tariff Memo No. 135 not be approved in view of the current economic status of the steamship industry and the negative impact of the proposed rate increases. Moved by Commissioner Simonson that Tariff No. 135 be approved. Motion unanimously carried.

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c. Robert A. Duin, Chief Systems and Support Engineer, reported that Atterton Painting, Inc., has completed contract No. 820-0311 for the Warehouse No. 1, Bays 3, 4 & 5 Roof Replacement at Terminal 106 and recommended that the work be accepted at this time. The original contract proposal was \$541,000. There was one executive-authorized revision in scope totaling an increase of \$19,100.00 and four unit-cost variations resulting in a total decrease in the amount of \$18,772.38. A Port cost of \$53.69 for hiring of a security guard (because of the contractor's failure to close an opening in the roof) was billed the contractor and reimbursed as a credit to the Port, resulting in a total contract price of \$541,273.93 (exclusive of Washington state sales tax). Further details are contained in Commission agenda memorandum dated July 26, 1985 from Walter D. Ritchie, Chief Engineer. Moved by Mr. Aronson that the contract be, and it is hereby accepted, subject to retention of certain funds per RCW 60.28.010 for a period of thirty (30) days for filing of liens or claims and if no liens or claims are filed, final payment is authorized. Motion unanimously carried.

6. GENERAL BUSINESS:

Items 6a, 6b, and 6c are reversed in order of consideration as follows:

c. Moved by Mr. Friedlander that authorization be granted for Port Commission travel to participate in the following functions on Port business and the Port auditor be directed to reimburse the Port Commissioners for expenses incurred including promotional hosting:

September 10 thru 17, 1985, Copenhagen, Denmark; Stockholm, Sweden; and Oslo, Norway. To participate in a workshop with 15 hotel and tour operators, as part of the Port's tourism program, in conjunction with Scandinavian Airlines, to promote Seattle as a destination point. Commissioner Henry T. Simonson will attend.

September 15 thru 19, 1985, Portland, Oregon. To participate in the 74th Annual Convention of the American Association of Port Authorities. Attendees will be designated at a later date and will include such members as may be required to accomplish the Port's purposes.

Motion unanimously carried.

a. Le Roi Smith, Port of Seattle Equal Employment Officer, presented an overview of the Port's 1984 "Equal Employment Opportunity Annual Report." Copies of this report were transmitted to the Port Commission and a

copy is, by reference, made a part of these minutes; is marked Exhibit "C" and is on file in Port offices. Mr. Smith reported that the Port's purchasing policy is presently being reviewed in an effort to increase M/WBE participation in construction, consulting, and small works contracts. Further details are outlined in Commission agenda memorandum dated August 13, 1985 from Mr. Smith.

b. Request was presented for authorization for the Executive Director to execute a revised Supplemental Agreement to the Agreement between the Port of Seattle and the International Longshoremen's and Warehousemen's Union, Local No. 9. The Revised Supplemental Agreement supercedes the previous Supplemental Agreement executed May 25, 1983 and modifies and adds to the Primary Agreement. The proposed revised Supplemental Agreement incorporates the provisions of the former Supplemental Agreement and includes the following changes:

1. Wage Schedule and Seniority List - Employees would be divided into three groups:

"A" Seniority List

Wage rates would remain as indicated in Appendix "A" of the previous Supplemental Agreement with the skill rate at \$15.25 per hour.

The "A" List is guaranteed at 82 employees.

Current employees on the seniority list would be "Grandfathered." (These employees continue to be entitled to the severance pay option in accordance with the previous Supplemental Agreement.)

The balance of the "A" List would be filled with new seniority employees. (These employees would not be entitled to the severance pay option.)

"B" Seniority List

Reduced wage rates for all work would be established as indicated below. The entry level rate would be tied to the "A" rate on a cents per hour basis and would change if there were a negotiated change in the "A" List rate after July 1, 1986. In the event of a change in the "A" List rate, the first six-month increment would remain at the \$1.00 above entry level and the following increments would remain at 50¢ each six months:

Entry	\$11.25
6 Months	12.25
1 Year	12.75
1.5 Years	13.25
2 Years	13.75
2.5 Years	14.25
3 Years	14.75

A minimum of 20 additional employees would be required to fill vacancies on the "B" List after "A" List vacancies have been filled. "B" List employees would not be eligible for "A" list promotions, but if assigned as a temporary foreman they would receive the "A" rate. They would not be entitled to the severance pay option.

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"Casuals" - Employed as needed after "B" List is selected.

A reduced wage rate for all work would be established at \$10.00 per hour. This rate would be tied to the "A" rate on a cents per hour basis and would change if there were a negotiated change in the "A" List rate after July 1, 1986.

2. Holiday, Vacation, Health & Welfare, and Pension Benefits

- "A" and "B" List employees would be eligible for Holiday, Vacation, Health & Welfare, and Pension benefits in accordance with conditions established in the Primary Agreement. (There are no paid holidays for casuals.)

3. Shift Differential

The shift differential for all employees would be 40¢ per hour in accordance with the Primary Agreement.

4. Three Day Guarantee

The three-day guarantee would be limited to "A" List employees.

James D. Dwyer, Executive Director, and Mickey Dinsmore, Director, Marine Division, complimented the open and team-effort negotiations between Port staff and representatives of ILWU Local No. 9. Commissioner Wright moved that the Executive Director be authorized to execute the Revised Supplemental Agreement--to the Agreement between Port of Seattle and the International Longshoremen's and Warehousemen's Union, Local No. 9. Motion unanimously carried.

7. NEW BUSINESS:

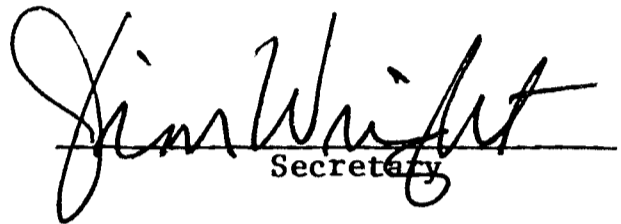
a. Mr. Block recommended the formation of a Commission subcommittee for the purposes of keeping the Commission apprised of the Port's marketing strategy and the progress of on-going discussions with steamship companies with respect to future tenancy at Port terminals. The Port Commission concurred with Mr. Block's recommendation and subsequent appointment of Paul S. Friedlander and Henry T. Simonson as subcommittee members. James D. Dwyer, Executive Director, affirmed staff's consensus in the formation of this subcommittee and its appropriateness for the review and discussion of staff negotiations with prospective marine terminal tenants before presentation of recommendations to the Commission for final approval.

b. Captain R. S. Armitstead, representing the M. V. VASHON Association, appeared before and requested the Commission to consider provision of a berth on the Seattle waterfront and placement of the "M. V. VASHON," a registered historical vessel, under the Port's umbrella coverage for liability insurance. Captain Armitstead advised that the "M. V. VASHON," an old ferry, is in "active" condition and is a registered floating hostel. The M. V. VASHON is

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presently moored in fresh water. It is his desire to establish the vessel as a memorial on the Seattle Waterfront. Commissioner Aronson moved that Port staff assist Capt. Armitstead through the research of the insurance and berth issues and report back to the Commission with their recommendations. James D. Dwyer, Executive Director, appointed John Belford, Deputy Executive Director, to meet with Capt. Armitstead.

There being no further business, the president announced the date of the next Port Commission meeting on August 27, 1985. The regular meeting of the Port Commission was then adjourned.

  
Secretary

August 27, 1985

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

The Port Commission met in regular session in the Commission Chambers at 2:00 p.m. on Tuesday, August 27, 1985. Commissioners Aronson, Block, Friedlander, Simonson, and Wright were present. An attendance register for voluntary signature by others attending today's meeting is on file with Port Commission records in Port offices.

1. CALL TO ORDER AND APPROVAL OF MINUTES:

The meeting was called to order by Jack S. Block, President of the Port Commission. James D. Dwyer, Executive Director, announced that the proposed minutes for the regular meeting of August 13, 1985 were in the process of being completed and would be brought for approval at the next meeting.

3. UNANIMOUS CONSENT CALENDAR:

Item 3d was removed from the Unanimous Consent Calendar for consideration as a separate item. Commissioner Wright then moved approval of Unanimous Consent Calendar items 3a, 3b, 3c, and 3e as follows:

a. Under the Unanimous Consent Calendar, it was moved by Commissioner Wright that authorization be granted for Port Commissioners to participate in the following functions on Port business and that the Port Auditor be directed to reimburse the Port Commissioners for the expenses incurred, including promotional hosting:

October 2 - 5, 1985 Anchorage, Alaska

To participate in the 1985 Greater Seattle Chamber of Commerce/Port of Seattle Alaska Tour. Attendees will be designated by the President at a later date.