

**MOTION 2018-14:
A MOTION OF THE PORT OF SEATTLE COMMISSION**

directing the Executive Director to set the 2019-2023 Capital Improvement Plan (CIP) Reserve for Maritime and Economic Development at \$25 million; designating funding in the 2019-2023 plan of finance for South King County communities, development of sustainable aviation fuels, support for greenhouse gas reduction, efforts to reduce air emissions, and establishment of a pilot program to educate and assist workers at Seattle-Tacoma International Airport; directing the Executive Director to review and recommend updated financial management policies as outlined in Appendix B of the 2019 Port of Seattle preliminary budget document; and establishing deadlines and stipulating budget amounts for 2019 for the above.

**ADOPTED
NOVEMBER 27, 2018**

TEXT OF THE MOTION

Section 1. The Port commission hereby directs the Executive Director set the 2019-2023 Maritime and Economic Development Divisions Capital Improvement Plan (CIP) Reserve at \$25 million, primarily for unanticipated renewal and replacement needs for existing assets and secondarily, for new investments that offer financial and/or community benefits.

Section 2. The Port commission hereby directs the Executive Director to take the following actions and designate funding for the purposes described below, provided, the Executive Director may at any time designate appropriate division or department to administer the following expenditures or programs:

Section 3. Within the funding plan for 2019-2023 there shall be funding, not to exceed \$10 million, designated for a South King County Support Program, which will be budgeted at \$750,000 in 2019, to be used to provide resources and support for Sea-Tac International Airport area communities.

Specific uses, guidelines, and timelines for the expenditures will be established by commission policy directive in 2019. For purposes of illustration, uses may include support for addressing

airport noise and for other projects that support environmental health and enhance sustainability.

Section 4. Within the funding plan for 2019-2023 there shall be funding, not to exceed \$5 million, designated for Sustainable Aviation Fuels and Air Emissions Program, which will be budgeted at \$375,000 in 2019, to be used to address development of sustainable aviation fuels at Seattle-Tacoma International Airport and efforts to reduce air emissions.

Specific uses, guidelines, and timelines for the expenditures will be established by Commission policy directive in 2019. For purposes of illustration, uses may include preparation and implementation of strategies, infrastructure development, and attraction of capital and other resources from state and other entities for the development of sustainable aviation fuels; efforts to reduce air emissions in communities near the airport; and strategies and projects to reduce airport-related greenhouse-gas emissions.

Section 5. In 2019, up to \$531,000 will be allocated for a two-year workforce development pilot program starting in 2019 to educate and assist workers at Seattle-Tacoma International Airport on labor and employment matters. The Executive Director shall develop a request for authorization to solicit proposals for a competitive solicitation process in 2019 for this purpose

The passing of City of SeaTac Ordinance 13-1020 (“Prop 1” or STMC Section 7.45.010) created a network of benefits and rights unique to the City of SeaTac and different from state statute. This led to an increase in complaints from Prop 1 impacted airport workers concerning wage and other employment compliance and highlighted a lack of understanding of workers’ rights under the new ordinance. It is the Commission’s intent that this pilot program be designed to address these issues.

Section 6. The Executive Director shall identify financial management policies as outlined in Appendix B of the 2019 Port of Seattle Preliminary Budget document to be reviewed and updated. Recommendations for updates shall be delivered to the Commission for consideration and approval prior to September 1, 2019. The updated financial management policies will then be incorporated into the Preliminary Budget document for 2020.

The Executive Director shall also direct the Port’s Chief Financial Officer to conduct a review of best-practices and a survey of the management of capital contingencies and reserves by other organizations such as Washington state ports and other public agencies. A recommendation on the use of capital contingencies and reserves shall be delivered to the Commission by September 1, 2019.

The Port of Seattle Preliminary Budget document for 2020 shall include a section titled “Capital Contingencies and Reserves” in that document’s financial management policies section.