

START OF TRANSCRIPT

[00:00:29] THIS IS COMMISSION PRESIDENT PETER STEINBRUECK RECONVENING
[00:00:33] THE REGULAR MEETING OF AUGUST 11Th 2020. THE TIME IS 12:03
[00:00:38] P.M. WE'RE MEETING REMOTELY TODAY VIA SKYPE TO COMPLY WITH
[00:00:42] THE GOVERNOR'S SAFE START ORDER IN ACCORDANCE WITH PROCLAMATION
[00:00:46] 2028. PRESENT WITH ME TODAY ARE COMMISSIONERS BOWMAN, CALKINS,
[00:00:50] CHO, AND FELLEMAN. I WILL ALSO DO A ROLL CALL OF ALL
[00:00:54] COMMISSIONERS TO ENSURE EVERYONE IS ON THE LINE. CLERK?
[00:00:58] YES, COMMISSIONER BOWMAN. PRESENT. COMMISSIONER CALKINS.
[00:01:08] HERE.
[00:01:09] COMMISSIONER CHO.
[00:01:14] PRESENT. AND COMMISSIONER FELLEMAN.
[00:01:22] COMMISSIONER FELLEMAN? I SAW HIM EARLIER. I KNOW HE'S HERE.
[00:01:28] ALRIGHT.
[00:01:29] I CAN SEE COMMISSIONER FELLEMAN. LET'S MAKE SURE WE
[00:01:35] CAN GET SOME AUDIO. I'M GOING TO MUTE YOU AND THEN SEND A
[00:01:38] NEW PROMPT AGAIN. SO GIVE ME A MOMENT.
[00:01:47] WE STILL CAN'T HEAR YOU.
[00:02:05] OKAY.
[00:02:12] WE HOPE THAT WILL GET WORKED OUT MOMENTARILY.
[00:02:15] I'M GOING TO PROCEED WITH THE MEETING'S AGENDA HERE. TODAY'S
[00:02:18] MEETING IS STRUCTURED FOR OUR VIRTUAL FORMAT. WE HAVE MADE
[00:02:21] ARRANGEMENTS TO PROVIDE REMOTE PARTICIPATION FOR ALL OUR STAFF
[00:02:25] AND COMMISSIONERS. LATER WE'LL BE TAKING PUBLIC COMMENT FROM
[00:02:29] PEOPLE WHO ARE PARTICIPATING BY SKYPE AND WHO HAVE SIGNED UP TO
[00:02:32] SPEAK. ALSO, PLEASE NOTE THAT ALL VOTES WILL BE TAKEN BY ROLL
[00:02:37] CALL METHOD SINCE ALL COMMISSIONERS ARE PARTICIPATING
[00:02:40] REMOTELY.
[00:02:42] THAT MEANS FOR EACH VOTE THE CLERK WILL CALL EACH
[00:02:44] COMMISSIONER'S NAME. COMMISSIONERS ON THE SKYPE CALL
[00:02:47] WILL HAVE TO UNMUTE THEMSELVES AND THEN ANSWER YAY OR NAY OR
[00:02:50] YES OR NO DEPENDING ON YOUR PREFERENCE. BECAUSE
[00:02:54] COMMISSIONERS ON THE LINE ARE NOT FULLY IN CONTROL OF THEIR
[00:02:57] SOUND WE WILL TAKE ALL VOTES TODAY IN THIS MANNER INCLUDING
[00:03:00] OUR CONSENT AGENDA. TO BE EQUITABLE, WE WILL ASK ALL
[00:03:04] COMMISSIONERS TO SPEAK IN TURN AND WAIT TO BE RECOGNIZED
[00:03:08] BEFORE SPEAKING AS MUCH AS POSSIBLE.
[00:03:11] WE BEGIN TODAY'S MEETING BY ACKNOWLEDGING THE INDIGENOUS
[00:03:14] PEOPLES OF THE DUWAMISH AND COASTAL SALISH WHO HAS
[00:03:18] STEWARDED THESE BEAUTIFUL LANDS AND WATER SINCE TIME IMMEMORIAL
[00:03:20] AND WE MUST COMMIT
[00:03:23] TO DOING THE SAME FOR THE PLANET FOR GENERATIONS TO COME.
[00:03:27] THIS MEETING IS BEING DIGITALLY RECORDED AND MAY BE VIEWED OR
[00:03:30] HEARD AT ANY TIME ON THE PORT'S WEBSITE AND MAYBE REBROADCAST
[00:03:33] BY KING COUNTY TELEVISION. PLEASE JOIN US FOR THE PLEDGE
[00:03:39] OF ALLEGIANCE.
[00:03:41] I PLEDGE ALLEGIANCE TO THE FLAG OF THE UNITED STATES OF
[00:03:44] AMERICA. DO WE HAVE THE FLAG? MY COMPUTER IS SLOW TODAY.
[00:03:49] OKAY. WE'LL IMAGINE THE FLAG
[00:03:52] THERE AND WILL IMAGINE OURSELVES BEFORE IT. I PLEDGE
[00:03:55] ALLEGIANCE TO THE FLAG OF THE UNITED STATES OF AMERICA
[00:03:58] AND TO THE REPUBLIC FOR WHICH IT STANDS
[00:04:02] ONE NATION UNDER GOD INDIVISIBLE- THERE WE GO- WITH
[00:04:05] LIBERTY AND JUSTICE FOR ALL. THANK YOU. GOOD AFTERNOON.
[00:04:12] JUST A FEW ITEMS FROM ME TODAY LAST WEEK PUT THE PORT
[00:04:16] COMMISSION HELD ITS SECOND BUDGET RETREAT AND THAT WAS A
[00:04:19] PRODUCTIVE DISCUSSION ABOUT THE PORT'S NON-AVIATION FIVE-YEAR
[00:04:23] CAPITAL IMPROVEMENT PLAN AND AND THE KING COUNTY PROPERTY
[00:04:26] TAX LEVY THAT FUNDS THOSE CRITICAL PROJECTS IN THE
[00:04:30] PLAN. WE ALSO HEARD FROM ALASKA AIRLINES CEO BRAD TILDEN ABOUT
[00:04:35] THE IMPACTS ON ALASKA AIRLINES AND THE AVIATION INDUSTRY
[00:04:39] GENERALLY AND THE EFFECTS UNDERWAY TO RESTORE TRAVELER

[00:04:42] CONFIDENCE WHEN IT COMES TO HEALTH AND SAFETY.
[00:04:45] THE PANDEMIC HAS HIT US HARD ON MANY FRONTS AND WE'RE SEEING
[00:04:49] THAT IN OUR BUDGET. AS WE SAID BEFORE WE HAVE A DIFFICULT TASK
[00:04:52] AHEAD OF US. WE MUST BE RESPONSIBLE STEWARD OF THE
[00:04:55] PORTS' ASSETS AND TAXPAYERS MONEY WHILE ALSO TRYING TO HELP
[00:04:59] DRIVE REGIONAL RECOVERY EFFORTS. TODAY WE'LL BE RECEIVING A
[00:05:03] BRIEFING ON OUR SECOND QUARTER 2020 FINANCIAL PERFORMANCE AS
[00:05:08] WELL AS A BRIEFING ON RECREATIONAL BOATING
[00:05:11] INCLUDING SHILSHOLE BAY, SALMON BAY, BELLE HARBOR, AND HARBOR ISLAND MARINA.
[00:05:17] TWO MORE ITEMS BEFORE WE MOVE ON. AS YOU KNOW, LAST YEAR THE
[00:05:20] COMMISSION CREATED THE SOUTH KING COUNTY FUND AND PLEDGED 10
[00:05:24] MILLION DOLLARS FROM NOW UNTIL 2023 WITH 1 MILLION AVAILABLE
[00:05:29] IN 2020. GRANTS ARE NOW AVAILABLE TO SUPPORT
[00:05:32] COMMUNITIES MOST IMPACTED BY THE CURRENT ECONOMIC CRISIS DUE
[00:05:36] TO THE PANDEMIC THROUGH PROJECTS CONNECTED TO PORT
[00:05:39] RELATED INDUSTRIES. [INAUDIBLE]
[00:05:42] THIS FUND TO ADDRESS INEQUITIES IN OUR ECONOMY AND ENVIRONMENT
[00:05:45] AND AS YOU KNOW, IT IS THE VULNERABLE COMMUNITIES THAT GET
[00:05:48] HIT THE HARDEST WHEN THERE'S AN ECONOMIC DOWNTURN OR A CRISIS.
[00:05:52] SO WE HOPE MANY WILL APPLY FOR THESE FUNDS AND PUT TO GOOD USE.
[00:05:56] PLEASE SPREAD THE WORD AND APPLY FOR THE GRANTS IF YOU ARE
[00:05:59] ELIGIBLE. THE DEADLINE IS SEPTEMBER 30TH. ALSO WANT TO
[00:06:03] EXTEND MY CONGRATULATIONS TO DAWN HUNTER, A PORT EMPLOYEE WHO
[00:06:06] HAS RECENTLY BEEN PROMOTED AS THE DIRECTOR OF AVIATION
[00:06:11] MANAGEMENT
[00:06:15] LAST WEEK WHERE SHE WILL DRIVE
[00:06:20] DEVELOPMENT AT THE AIRPORT.
[00:06:29] WHERE DID MY OTHER COMMENTS GO? I'VE MISPLACED MY OTHER
[00:06:33] COMMENT. SO ANYWAY. CONGRATULATIONS TO DAWN HUNTER
[00:06:37] AND WILL NOW TURN TO.
[00:06:41] THERE WE GO. SHE WAS HIRED AT THE PORT IN 2017 TO BE THE
[00:06:45] SENIOR MANAGER OF AIRPORT DINING AND RETAIL WHERE SHE DID
[00:06:48] AN EXCELLENT JOB AND WE ALL EXTEND A HUGE CONGRATULATIONS
[00:06:52] TO DAWN. SHE'S JUST A GREAT RESOURCE AND A COMMITTED,
[00:06:56] DEDICATED EMPLOYEE AT THE PORT AND WE THANK HER VERY MUCH. AND
[00:07:01] SO WITH THAT WE'LL NOW MOVE TO ITEM NUMBER THREE, WHICH IS
[00:07:03] APPROVAL OF THE AGENDA. I BELIEVE THERE IS ONE ITEM THAT
[00:07:06] WE WILL CONSIDER TO HOLD. UNDER THE CONSENT AGENDA ITEM 6 E
[00:07:12] AND WE'LL GET TO THAT IN JUST A SECOND. CLERK, PLEASE
[00:07:16] UNMUTE THE COMMISSIONERS.
[00:07:20] COMMISSIONERS ONLINE, PLEASE UNMUTE YOURSELVES. WE'LL ASK
[00:07:24] COMMISSIONERS IF THEY
[00:07:25] HAVE ANY MOTIONS TO REARRANGE THE ORDERS OF THE
[00:07:29] DAY. AND IF YOU DO, I WILL ASK FOR A SECOND IF NEEDED. PLEASE
[00:07:31] RESPOND WHEN I CALL YOU. IF YOU HAVE NO CHANGES SAY
[00:07:35] NONE.
[00:07:37] THANK YOU. MR. COMMISSION PRESIDENT. BEGINNING WITH
[00:07:39] COMMISSIONER BOWMAN FOR ANY CHANGES TO THE AGENDA.
[00:07:43] I DON'T HAVE ANY CHANGES TO THE AGENDA, BUT I'D ASKED FOR THE
[00:07:46] OPPORTUNITY TO ASK A COUPLE OF QUESTIONS ABOUT THE ITEMS ON
[00:07:50] THE UNANIMOUS CONSENT CALENDAR. I DON'T WANT TO PULL THEM OFF
[00:07:53] GIVEN WHAT ELSE WE HAVE ON THE AGENDA TODAY BUT IF I
[00:07:56] MIGHT JUST ASK QUESTIONS WHEN WE GET TO THAT AND STAFF TO GET
[00:08:00] BACK TO ME LATER. BUT I DID WANT TO PROVIDE VISIBILITY TO
[00:08:03] THE REST OF THE COMMISSIONERS ABOUT MY QUESTIONS. FAIR ENOUGH.
[00:08:08] COMMISSIONER CALKINS, CHANGES TO THE AGENDA TODAY? NO CHANGES.
[00:08:13] THANK YOU. COMMISSIONER CHO? YEAH, I THINK MAYBE
[00:08:18] COMMISSIONER FELLEMAN WAS GOING TO DO THIS, BUT I JUST WANTED
[00:08:21] TO POINT OUT THAT THERE'S BEEN SOME CONCERN EXPRESSED WITH
[00:08:26] REGARDS TO THE L3 HARRIS CONTRACT FOR PORTABLE NOISE
[00:08:31] MONITORING. I THINK THERE IS SOME QUESTIONS ABOUT THE DATA
[00:08:34] COLLECTION PERIOD AND WHATNOT AND SO I WOULD ASK
[00:08:38] THAT WE POSTPONE THIS ITEM TO ONE OF THE

[00:08:44] SEPTEMBER MEETINGS. WE'VE ALSO HAD A REQUEST DIRECTLY FROM
[00:08:47] CITY COUNCIL MEMBER OF SEA-TAC, PETER QUAN, TO HAULT THIS ITEM
[00:08:52] UNTIL THE NEXT REGULAR MEETING SO TO ALLOW MORE
[00:08:56] ADDITIONAL TIME FOR FOR COMMUNITY MEMBERS TO COMMENT.
[00:08:59] SO COMMISSIONER FELLEMAN,
[00:09:04] WOULD YOU LIKE TO MAKE A MOTION COMMISSIONER FELLEMAN? I THINK
[00:09:07] WE'RE STILL WORKING ON AUDIO. COMMISSIONER FELLEMAN I'M GOING
[00:09:10] MUTE YOU AND THEN UNMUTE AGAIN, SO GIVE ME A
[00:09:13] MOMENT. YOU SHOULD BE MUTED CURRENTLY. GOING TO SEND THE
[00:09:16] UNMUTE PROMPT. SHOULD POP UP.
[00:09:24] I CAN'T HEAR YOU. IS THE PROMPT POPPING UP ON YOUR
[00:09:27] DESKTOP?
[00:09:37] MR. PRESIDENT STEINBREUCK, IF FOR SOME REASON WE CAN'T GET
[00:09:42] COMMISSIONER FELLEMAN, WE COULD HAVE COMMISSIONER CHO MAKE
[00:09:45] THAT MOTION. LET'S PROCEED AND GO BACK TO COMMISSIONER
[00:09:48] CHO. AND IF YOU WOULD LIKE TO MAKE A MOTION? YES, I WOULD
[00:09:52] LIKE TO. I WOULD LIKE TO MOTION TO TAKE ITEM 60 OFF THE
[00:09:59] UNANIMOUS CONSENT AND CONSIDER IT FOR A LATER DATE IN
[00:10:02] SEPTEMBER.
[00:10:04] SO LET'S BE MORE SPECIFIC. LET'S SEE, IF WE COULD, TO
[00:10:08] PROPOSE THAT COME BACK TO THE COMMISSION AT THE NEXT REGULAR
[00:10:10] MEETING IN SEPTEMBER WHICH I BELIEVE IS-- WHAT'S THE DATE FOR
[00:10:14] THE NEXT MEETING? THE EIGHTH?
[00:10:17] ALL RIGHT. IS THERE A SECOND?
[00:10:24] OKAY, I HEAR A MOTION AND A SECOND TO HOLD ITEM 6E TO
[00:10:28] SEPTEMBER 8 COMMISSION MEETING. ANY FURTHER
[00:10:31] COMMENT OR DISCUSSION?
[00:10:34] I HAVE INQUIRED AS TO WHETHER THERE WOULD BE ANY FINANCIAL
[00:10:38] IMPACTS ASSOCIATED WITH THE DELAY AND THE AUTHORIZATION OF
[00:10:42] THIS CONTRACT AND I HAVE BEEN INFORMED BY STAFF THAT THERE
[00:10:47] WOULD NOT BE ANY SIGNIFICANT FINANCIAL IMPACT OR OTHER
[00:10:50] CONSEQUENCES. SO I THINK IN THE PUBLIC INTEREST,
[00:10:53] THIS WOULD BE A REASONABLE REQUEST TO DELAY
[00:10:59] FURTHER THIS ACTION ON THIS ITEM. ANY OTHER COMMISSIONERS
[00:11:03] WISHING TO MAKE A COMMENT ON THIS ACTION ITEM? AS I'M SURE
[00:11:06] COMMISSIONER FELLEMAN WOULD LIKELY WANT TO SPEAK,
[00:11:09] COMMISSIONER FELLEMAN, COULD YOU TRY PRESSING STAR SIX ON
[00:11:12] YOUR DEVICE IF YOU USED YOUR DEVICE AS AUDIO TO CALL IN?
[00:11:18] MAYBE HE'LL NEED TO CALL IN WITH HIS CELL PHONE
[00:11:25] SO THAT WE DON'T DELAY THE MEETING. I THINK
[00:11:30] WHEN YOU DIAL INTO THE SKYPE MEETING THERE'S AN OPTION TO
[00:11:33] JOIN WITH A PHONE AS A DIAL IN
[00:11:39] AND SOMETIMES I THINK THAT HAS COMPLICATIONS.
[00:11:43] OKAY COMMISSION PRESIDENT STEINBREUCK, WOULD YOU LIKE TO
[00:11:46] TAKE A BRIEF RECESS SO WE CAN TRY TO GET COMMISSIONER
[00:11:48] FELLEMAN LIVE AND PARTICIPATING IN THIS MEETING
[00:11:51] OR DO YOU WANT TO CARRY FORWARD WITH A VOTE ON THIS MOTION ON
[00:11:54] THE FLOOR? THANK YOU FOR THAT SUGGESTION. WE CAN CERTAINLY
[00:11:57] TAKE A SHORT RECESS. LET'S SAY TWO MINUTES TO TRY TO GET THIS
[00:12:02] RESULT. THANK YOU. WE ARE AT EASE. OKAY, THANK YOU. YEAH.
[00:12:07] OKAY. LOOKS LIKE COMMISSIONER FELLEMAN JUST LEFT THE MEETING.
[00:12:10] SO HOPEFULLY WE WILL BE ABLE TO GET HIM BACK.
[00:12:17] AND WITH FULL AUDIO.
[00:12:22] CAN WE ALSO DO A CHECK FOR EXECUTIVE DIRECTOR METRUCK IF
[00:12:25] HE HAS AUDIO? YEAH, SO.
[00:12:28] AM I ABLE TO BE HEARD?
[00:12:30] YEAH, THAT SOUNDS LIKE MR. FELLEMAN. ALL RIGHT, SO
[00:12:36] FINE. I'M USING MY PORT PHONE BUT IT IS QUITE ODD THAT BUT I
[00:12:44] GUESS I CAN'T GET ON VIDEO NOW OVER. HERE WE GO.
[00:12:48] SO YOU CAN'T SEE ME AT ALL?
[00:12:51] LET ME
[00:12:54] I CANNOT, NO, BUT YOUR ICON IS STILL THERE.
[00:13:01] IT SAYS START VIDEO. I MEAN I WAS JUST ON THE EXECUTIVE

[00:13:04] MEETING AND IT WAS FINE. I CAN SEE YOU NOW.
[00:13:08] BUT THERE'S ECHO.
[00:13:11] IT SOUNDS LIKE
[00:13:18] YOUR COMPUTER IS PICKING UP YOUR PHONE.
[00:13:20] YES.
[00:13:24] WHATEVER YOU JUST MUTED WAS THE WRONG ONE. TRY MUTING
[00:13:28] YOUR COMPUTER.
[00:13:30] ALL RIGHT. SO, THIS IS GOOD NOW. YEP, PERFECT. I CAN SEE
[00:13:34] YOU AND HEAR YOU AND THERE'S NO ECHO.
[00:13:37] COMMISSIONER FELLEMAN, FOR YOUR COMMENTS ON THIS ITEM?
[00:13:41] I WOULD VERY MUCH APPRECIATE AND SECOND COMMISSIONER CHO'S
[00:13:46] MOTION TO POSTPONE TILL OUR NEXT COMMISSION MEETING AT
[00:13:50] WHICH TIME WE CAN HAVE A FULLER CONVERSATION AND I I KNOW THAT
[00:13:55] THIS HAS BEEN AN ISSUE THAT'S BEEN ON THE COMMUNITY'S MIOND
[00:13:58] FOR MANY YEARS AND THE FACT THAT THE CONTRACT IS NOW UP FOR
[00:14:02] REVIEW AGAIN ALLOWS US TO AT LEAST HAVE A CONVERSATION ABOUT
[00:14:06] WHAT IS POSSIBLE AND WHAT, IF ANY, FINANCIAL IMPLICATIONS THAT
[00:14:10] HAS. SO IT SHOULDN'T BE ON CONSENT. AND THIS WILL GIVE
[00:14:14] SETH TIME TO MAKE A FULLER PRESENTATION TO US. SO THANK
[00:14:17] YOU VERY MUCH FOR TOLERATING MY TECHNICAL DIFFICULTIES AND
[00:14:21] HOPEFULLY I'LL BE ABLE TO CONTINUE ON.
[00:14:27] THANK YOU. COMMISSIONER PRESIDENT STEINBREUCK.
[00:14:31] PRESIDENT STEINBREUCK GOT MUTED. SENDING THE UNMUTE
[00:14:35] PROMPT NOW. THANK YOU. BACK TO ORDER HERE. MOTION TO
[00:14:40] HOLD ITEM 6C FROM THE CONSENT AGENDA TO THE NEXT REGULAR
[00:14:44] MEETING HAS BEEN MOVED AND SECONDED. WE'VE HAD DISCUSSION
[00:14:47] AND NOW I'D LIKE TO CALL FOR A VOTE. CLERK. THANK YOU.
[00:14:51] COMMISSIONER BOWMAN.
[00:14:54] AYE. THANK YOU. COMMISSIONER CALKINS. AYE. THANK YOU.
[00:15:00] COMMISSIONER CHO. AYE.
[00:15:02] THANK YOU. COMMISSIONER FELLEMAN.
[00:15:06] AYE. THANK YOU. AND COMMISSIONER STEINBREUCK. YES.
[00:15:12] THAT MOTION PASSES UNANIMOUSLY COMMISSIONER. ARE THERE ANY
[00:15:15] OTHER MOTIONS TO AMEND THE CONSENT AGENDA?
[00:15:22] OR THE CALENDAR I SHOULD SAY? OKAY HEARING NONE
[00:15:26] COMMISSIONERS, THE QUESTION IS NOW ON THE APPROVAL OF THE
[00:15:28] AGENDA. PLEASE SAY YES OR NO WHEN YOUR NAME IS CALLED
[00:15:31] BEGINNING WITH COMMISSIONER BOWMAN. APPROVE.
[00:15:35] THANK YOU. COMMISSIONER CALKINS. AYE. COMMISSIONER CHO.
[00:15:43] AYE. COMMISSIONER FELLEMAN. YES. THANK YOU. THE AGENDA HAS
[00:15:54] BEEN APPROVED AS AMENDED. OKAY, VERY GOOD. WE'LL NOW TURN
[00:15:57] TO EXECUTIVE DIRECTOR STEVE METRUCK'S REPORT. DIRECTOR
[00:16:01] METRUCK.
[00:16:08] I BELIEVE DIRECTOR METRUCK HAS JOINED US VIA PHONE. IS THAT
[00:16:11] CORRECT? YOU'LL NEED TO PRESS STAR SIX TO UNMUTE.
[00:16:29] WHEN I TRIED CALLING IN IT DIDN'T WORK. SO I HAD TO FILL
[00:16:32] OUT THE SIGN AND SAY YOU CALL ME AND THEN IT DID WORK. OKAY
[00:16:41] I DO SEE HIM STILL LISTED AS ON THE DESKTOP APP. CAN YOU HEAR
[00:16:47] ME NOW? SO I SWITCHED COMPUTERS. SORRY ABOUT THAT. I WAS ON MY
[00:16:52] PHONE THEN I SWITCH COMPUTERS BACK TO ANOTHER COMPUTER AND I
[00:16:57] THINK WE'RE UP AND RUNNING. SO THANK YOU COMMISSIONER
[00:16:59] STEINBREUCK AND GOOD MORNING OR GOOD AFTERNOON
[00:17:03] COMMISSIONERS.
[00:17:05] JUST LIKE THAT, WE'RE WELL INTO AUGUST. FOR MANY,
[00:17:09] SUMMERTIME IN THE PACIFIC NORTHWEST USUALLY MEANS
[00:17:12] SPENDING TIME ENJOYING THE OUTDOORS WITH FRIENDS AND
[00:17:15] FAMILY, BUT HERE AT THE PORT OF SEATTLE, IT MEANS IT'S BUDGET
[00:17:18] SEASON.
[00:17:20] I GREATLY APPRECIATED THE COMMISSION'S TIME AND
[00:17:22] ENGAGEMENT LAST WEEK AT OUR SECOND BUDGET RETREAT. AT THIS
[00:17:25] MEETING WE FOCUSED ON OUR NON AIRPORT CAPITAL IMPROVEMENT
[00:17:28] PLAN FOR THE NEXT FIVE YEARS AND BEGAN DISCUSSIONS ABOUT THE
[00:17:32] PORT'S PROPERTY TAX LEVY FOR 2021. WE HAD A ROBUST

[00:17:37] DISCUSSION ABOUT OUR CRITICAL CAPITAL INVESTMENTS AND HOW WE
[00:17:40] FUND THEM IN ECONOMIC UNCERTAINTY. WE RECEIVED A
[00:17:45] NUMBER OF QUESTIONS FROM COMMISSIONERS, WHICH STAFF ARE
[00:17:47] ANALYZING AND WORKING HARD ON RESPONSES, WHICH WE HOPE TO
[00:17:50] HAVE FOR YOU SHORTLY. THE COVID-19 PANDEMIC PRESENTS US
[00:17:54] WITH UNPRECEDENTED CHALLENGES. LATER IN TODAY'S
[00:17:57] MEETING YOU WILL BE BRIEFED ON OUR SECOND QUARTER FINANCIAL
[00:18:00] PERFORMANCE, WHEN WE FIRST STARTED TO SEE SIGNIFICANT
[00:18:03] IMPACTS OF THE HEALTH EMERGENCY ON ALL OUR LINES OF BUSINESS:
[00:18:06] YEARS OR EVEN LONGER. MY APPROACH FOR NEXT YEAR'S BUDGET
[00:18:12] FORWARD, ECONOMIC RECOVERY MAY BE SLOW AND EXTEND OVER 2 OR 3
[00:18:17] IS A CONSERVATIVE ONE. WE WILL FOCUS ON PRIORITY ELEMENTS OF
[00:18:21] OUR MISSION, REDUCE DISCRETIONARY SPENDING AND CONSERVE OUR
[00:18:24] RESOURCES. THAT WAY WE WILL BE BETTER POSITIONED TO ADAPT
[00:18:28] TO CIRCUMSTANCES IN THE COMING MONTHS. WE'LL BE BACK BEFORE
[00:18:32] THE COMMISSION IN SEPTEMBER FOR OUR NEXT ROUND OF BRIEFINGS.
[00:18:36] TURNING TO ACTIVITY AT THE AIRPORT, I KNOW WE'RE ALL HAPPY
[00:18:39] TO SEE AN UPTICK IN PASSENGER VOLUME AT SEA. WE ARE NOW
[00:18:43] PEAKING AT ABOVE 19 THOUSAND PASSENGERS, WHICH IS GOOD NEWS
[00:18:47] FOR OUR REVENUES, OUR AIRPORT BUSINESS PARTNERS, AND OUR
[00:18:50] REGIONAL ECONOMY. MORE TRAFFIC MEANS OUR HEALTH AND SAFETY
[00:18:54] MEASURES ARE EVEN MORE IMPORTANT. IF YOU'VE BEEN TO
[00:18:56] THE AIRPORT LATELY, YOU MAY HAVE SEEN THE VERY HIGH
[00:18:59] COMPLIANCE AMONG PASSENGERS AND EMPLOYEES WITH OUR MASK
[00:19:02] REQUIREMENT. THE MASK UP AT SEA PROGRAM CONTINUES TO BE WELL
[00:19:06] RECEIVED BY CUSTOMERS WITH OVER 4,200 MASKS DISTRIBUTED SO FAR.
[00:19:11] OUR OPERATIONS TEAM HAS DONE EXCELLENT WORK ANALYZING OUR
[00:19:14] COMPLIANCE RATE AND WE ARE CURRENTLY AT 92 PERCENT
[00:19:17] COMPLIANCE. THIS REFLECTS A LOT OF GREAT WORK BY AIRPORT STAFF
[00:19:21] AND COLLABORATION WITH ALL OF OUR AIRPORT PARTNERS. REGARDING
[00:19:25] AIRPORT DINING AND RETAIL, WITH THE INCREASE IN PASSENGER COMES
[00:19:29] THE INCREASE OF DINING AND RETAIL OPTIONS FOR OUR
[00:19:31] TRAVELERS. I'M PLEASED TO SHARE THAT BY THE END OF THIS WEEK,
[00:19:35] SEA WILL HAVE 75 OF 89 SPACES OPEN. THIS WEEK BALLARD BREWHALL
[00:19:41] ON D CONCOURSE AND DELISH ON C CONCOURSE WILL REOPEN. OVER THE
[00:19:46] NEXT TWO MONTHS, THREE NEW FOOD AND BEVERAGE BUSINESSES WILL
[00:19:49] COMPLETE CONSTRUCTION. WE APPRECIATE THEIR CONFIDENCE IN
[00:19:52] THE AIRPORT'S RECOVERY. COMMISSIONER STEINBREUCK,
[00:19:55] THANK YOU FOR RECOGNIZING DAWN HUNTER, OUR NEW
[00:19:59] DIRECTOR OF AVIATION COMMERCIAL MANAGEMENT. SHE'S A GREAT
[00:20:03] ADDITION AND WE CONGRATULATE HER ON THAT PROMOTION AS WELL.
[00:20:05] SHE'S REPLACING JIM SHOWN WHO'S HAD A GREAT CAREER
[00:20:08] HERE AT THE PORT.
[00:20:12] TURNING TO NATIONAL ISSUES REGARDING THE CARES ACT, THE
[00:20:16] SECOND PHASE OF THE CARES ACT, I'D LIKE TO REPORT THAT
[00:20:19] UNFORTUNATELY NEGOTIATIONS BETWEEN THE TRUMP
[00:20:21] ADMINISTRATION AND CONGRESSIONAL DEMOCRATS IN
[00:20:23] WASHINGTON HAVE BROKEN DOWN. DISAGREEMENT BETWEEN THE
[00:20:27] PARTIES INCLUDED BOTH [INAUDIBLE]
[00:20:31] NEEDED ECONOMIC STIMULUS, ONE TRILLION VERSUS THREE POINT
[00:20:34] FOUR TRILLION, AS WELL AS WHAT AREAS WERE GERMANE TO THE
[00:20:38] PACKAGE SUCH AS THE US POSTAL SERVICE FUNDING, MONEY FOR THE
[00:20:42] NOVEMBER ELECTION, AND NEW DOLLARS FOR COVID TESTING.
[00:20:46] THE GOOD NEWS IS THAT IF NEGOTIATIONS RESUME
[00:20:48] AIRPORTS ARE POSITIONED
[00:20:50] FOR ADDITIONAL FUNDING. THE SENATE REPUBLICAN LEGISLATION
[00:20:54] INTRODUCED BY MAJORITY LEADER MCCONNELL INCLUDED AN
[00:20:57] ADDITIONAL TEN BILLION DOLLARS FOR AIRPORTS, AND THERE WAS A
[00:21:00] GROWING MOMENTUM FOR A SEPARATE 3.5 BILLION DOLLARS FOR AIRPORT
[00:21:04] CONCESSIONAIRES. HOWEVER, ALL OF THAT IS ON HOLD UNTIL
[00:21:07] NEGOTIATIONS RESUME. THERE'S ALSO GROWING MOMENTUM FOR
[00:21:11] INCLUSION OF FUNDING FOR SEA PORTS AS WELL. IF A BILL COMES
[00:21:15] TOGETHER, SEA PORTS ARE STILL ON THE OUTSIDE LOOKING IN BUT THE

[00:21:18] ODDS APPEAR BETTER THAN THEY WERE JUST A FEW WEEKS AGO
[00:21:21] IN RECENT WEEKS, WE HAVE JOINED SEVERAL OTHER MAJOR PORTS IN
[00:21:24] REQUESTING 3.5 BILLION AS PART OF THE FINAL RELIEF PACKAGE.
[00:21:28] PORT STAFF CONTINUE TO ENGAGE WITH MEMBERS OF THE WASHINGTON
[00:21:31] CONGRESSIONAL DELEGATION, OTHER SEAPORTS AND AIRPORTS, AND OUR
[00:21:35] NATIONAL ASSOCIATIONS TO BUILD SUPPORT FOR ADDITIONAL RELIEF
[00:21:38] FOR PORT OPERATIONS, AND INFRASTRUCTURE.
[00:21:42] TURNING TO OUR HEALTH UPDATE, ACROSS THE PORT
[00:21:46] WE HAVE 40 EMPLOYEES WHO ARE CURRENTLY UNDER QUARANTINE.
[00:21:50] SEATTLE KING COUNTY PUBLIC HEALTH HAS ESTABLISHED KEY
[00:21:53] INDICATORS TO KEEP CLOSE TABS ON THE COVID VIRUS ACTIVITY
[00:21:56] WITHIN THE COMMUNITY. EIGHT KEY METRICS ARE REPORTED DAILY AND
[00:22:00] REPRESENT IMPORTANT INFORMATION ABOUT TRENDS AND
[00:22:03] TESTING CAPACITY, NUMBERS OF POSITIVE TESTS, NUMBER OF DEATHS
[00:22:06] RATES OF HOSPITALIZATIONS DUE TO THE VIRUS, AND HEALTH CARE
[00:22:10] READINESS. ONE STRONG INDICATOR OF VIRAL [INAUDIBLE]
[00:22:14] REPRODUCTIVE NUMBER OFTEN REFERRED TO AS THE RNOT. THE
[00:22:18] RNOT IS THE NUMBER OF PEOPLE ON AVERAGE THAT ONE INFECTED
[00:22:21] PERSON WILL SUBSEQUENTLY INFECT. CURRENTLY WE'RE AT
[00:22:25] AN RNOT OF 1.1 OF THE VIRUS THAT CAUSES COVID. SO THAT IS
[00:22:30] TRENDING IN THE RIGHT DIRECTION.
[00:22:33] TURNING TO OTHER ITEMS INCLUDING THE CENTURY AGENDA/
[00:22:37] WE'D LIKE TO TALK ABOUT OUR STRATEGIC PLANNING EFFORTS. NEW
[00:22:40] TO THE BUDGETING PROCESS, THIS YEAR IS A VERTICAL ALIGNMENT OF
[00:22:43] OUR BUSINESS PLANS TO OUR OBJECTIVES AND GOALS IN THE
[00:22:46] CENTURY AGENDA. THE NEXT STEP IN THIS PROCESS IS
[00:22:50] FOR THE PUBLIC TO REVIEW AND COMMENT ON OUR PROPOSED
[00:22:52] OBJECTIVES. THIS WILL BE PUBLISHED ON THE PORT WEBSITE
[00:22:55] AND ADVERTISED THROUGH OUR REGULAR COMMUNICATION CHANNELS.
[00:22:58] THE COMMENT PERIOD WILL BE FROM AUGUST 14TH TO
[00:23:02] SEPTEMBER 18TH. WORK IS ALREADY UNDERWAY TO IDENTIFY AND CREATE
[00:23:06] KEY PERFORMANCE INDICATORS WHICH WILL PROVIDE YOU WITH
[00:23:09] VISIBILITY ON HOW WE'RE PERFORMING AS AN ORGANIZATION.
[00:23:13] IN OTHER DEVELOPMENTS, REGARDING THE SOUTH KING COUNTY FUND,
[00:23:16] SINCE OUR LAST MEETING WE HAVE OFFICIALLY LAUNCHED THE REQUEST
[00:23:19] FOR PROPOSALS FOR THE SOUTH KING COUNTY COMMUNITY FUND. AS
[00:23:23] YOU HEARD DURING THE ECONOMIC DEVELOPMENT PROGRAM BRIEFING
[00:23:25] LAST MONTH, THIS PROGRAM HAS BEEN EXPANDED TO INCLUDE
[00:23:29] ECONOMIC DEVELOPMENT TO HELP WITH COVID RECOVERY. THE RFP
[00:23:32] WILL BE ADVERTISED FOR TWO FULL MONTHS.
[00:23:36] DURING THIS TIME, THERE WILL BE AN INFORMATIONAL SESSION IN
[00:23:39] AUGUST. THE SESSION WILL BE RECORDED AND AVAILABLE TO THE
[00:23:42] PUBLIC ONLINE. IT'S PART OF THE PORT'S ONGOING ECONOMIC
[00:23:46] RECOVERY OPTIONS. THE PORT OF SEATTLE WILL BE SPONSORING A
[00:23:49] THREE-DAY VIRTUAL CONFERENCE IN MID SEPTEMBER HOSTED BY
[00:23:54] THE BELLE HARBOR INTERNATIONAL CONFERENCE CENTER. THE
[00:23:56] THREE-DAY PUGET SOUND ECONOMIC SUMMIT WILL ADDRESS THE GOAL OF
[00:23:59] ADVANCING AN EQUITABLE AND INCLUSIVE RECOVERY FROM THE
[00:24:02] IMPACTS OF THE COVID-19 PANDEMIC. THE INTERACTIVE
[00:24:06] CONFERENCE WILL FEATURE BUSINESS LEADERS, GOVERNMENT
[00:24:08] OFFICIALS, AND NONPROFITS DISCUSSING ISSUES FACING THE
[00:24:11] BUSINESS, HOSPITALITY, MEETINGS, EVENTS, AND TOURISM INDUSTRIES.
[00:24:16] IN ADDITION TO THE EVENT BEING LIVE-STREAMED, VIRTUAL
[00:24:18] NETWORKING AND TOURS WERE MADE AVAILABLE TO SHOWCASE BELLE
[00:24:22] HARBOR'S RECENT RENOVATIONS. BELLE HARBOR PLANS TO USE A
[00:24:25] MEDIA RELEASE THIS WEEK TO ANNOUNCE THE SUMMIT. YOU SHOULD BE
[00:24:28] RECEIVING AN INVITATION TO PARTICIPATE SOON. WE LOOK
[00:24:31] FORWARD TO YOUR PARTICIPATION IN THIS IMPORTANT AND TIMELY
[00:24:34] EVENT.
[00:24:36] REGARDING THE OPPORTUNITY MOTION, SINCE MY LAST UPDATE
[00:24:40] REGARDING THE YOUTH OPPORTUNITIES INITIATIVE
[00:24:42] PROGRAM CREATED EARLIER THIS SUMMER, WE HAVE SOME UPDATES TO
[00:24:45] THAT. LAST FRIDAY, JUNE 7TH WAS GRADUATION DAY FOR THE FIRST

[00:24:49] GROUP OF YOUTH COMPLETING A HANDS-ON CONSTRUCTION READINESS
[00:24:52] TRAINING PROGRAM. FOLLOWING PROGRAM COMPLETION, PARTICIPANTS
[00:24:56] ARE OFFERED TO ENROLL INTO THEIR PRIORITY HIGHER PROGRAM,
[00:24:59] WHICH PROVIDES CONTINUED SUPPORT TO ENHANCE THEIR
[00:25:02] LEARNED SKILL SET FOR EMPLOYMENT WITHIN THE TRADES
[00:25:05] INDUSTRY.
[00:25:07] MOVING TO TODAY'S COMMISSION MEETING, TODAY I'D
[00:25:10] LIKE TO HIGHLIGHT TWO ITEMS: ITEM 6J IS THE INTERLOCAL
[00:25:13] AGREEMENT WITH THE UNIVERSITY OF WASHINGTON SEA GRANT FELLOW
[00:25:16] PROGRAMS THAT WILL ALLOW US TO HOST TWO 12-MONTH HERSHMAN
[00:25:20] FELLOWSHIP POSITIONS. THE CANDIDATES THAT HAVE BEEN
[00:25:24] SELECTED ARE BOTH GRADUATES
[00:25:27] FROM THE UNIVERSITY OF WASHINGTON AND I'M VERY
[00:25:29] EXCITED ABOUT THE OPPORTUNITY. THEY WILL BE HELPING THE PORT
[00:25:33] ADVANCE SEVERAL NEAR TERM GOALS RELATED TO HABITAT
[00:25:35] RESTORATION AND AIR EQUALITY AS WELL AS CONTRIBUTING TO OUR
[00:25:38] EQUITY, DIVERSITY, AND INCLUSION PROGRAMS.
[00:25:42] ITEM 9B IS A BRIEFING ON OUR SECOND QUARTER FINANCIAL
[00:25:45] PERFORMANCE. AS WE MOVE ALONG WITH THE 2021 BUDGETING PROCESS
[00:25:49] THESE BRIEFINGS BECOME INCREASINGLY IMPORTANT AS
[00:25:52] WE ASSESS A WAY FORWARD AND PRIORITIZE THEIR SPENDING FOR A
[00:25:55] NEW YEAR. I'LL HAVE SOME ADDITIONAL REMARKS WHEN
[00:25:57] INTRODUCED. COMMISSIONERS, THIS CONCLUDES MY REMARKS. THANK YOU.
[00:26:01] THANK YOU, DIRECTOR METRUCK FOR THE UPDATE AND REPORT. BEFORE WE
[00:26:07] MOVE ON TO PUBLIC COMMENT, I WILL NOW TURN TO OUR POLICY
[00:26:11] DIRECTOR IN THE COMMISSION OFFICE, AARON PRICHARD WHO WILL
[00:26:15] REPORT OUT ON COMMITTEES.
[00:26:17] WE HAVE NO COMMITTEE REPORTS FROM THE LAST TWO WEEKS. WE
[00:26:21] HAVE OUR NEXT COMMITTEE MEETINGS, OUR ENERGY
[00:26:23] SUSTAINABILITY ON AUGUST 17TH, EQUITY AND WORKFORCE
[00:26:27] DEVELOPMENT ON SEPTEMBER 10TH, AND AVIATION COMMITTEE ON
[00:26:31] SEPTEMBER 24TH. THANK YOU. GREAT. THANKS VERY MUCH AARON.
[00:26:35] I WILL NOW TURN TO ITEM NUMBER 5 WHICH IS PUBLIC COMMENT. THE
[00:26:40] COMMISSION WILL NOW ACCEPT PUBLIC COMMENT FROM THOSE
[00:26:42] WHO SIGNED UP. WRITTEN COMMENTS PROVIDED TO THE CLERK
[00:26:46] WILL BE INCLUDED IN TODAY'S MEETING RECORD. THE CLERK HAS A
[00:26:49] LIST OF THOSE PREPARED TO SPEAK AS THE CLERK CALLS YOUR NAME,
[00:26:52] WE WILL OPEN THE LINE AND COMMENTERS WILL HAVE TO UNMUTE
[00:26:55] THEMSELVES. PLEASE REPEAT YOUR NAME FOR THE RECORD. IF YOU'RE
[00:27:00] ON SKYPE MEETING AND ARE ALSO STREAMING THE MEETING, YOU WILL
[00:27:03] NEED TO MUTE THE VIDEO STREAM TO AVOID FEEDBACK AND PLEASE
[00:27:07] NOTE THERE'S A 3-MINUTE LEG ON THE VIDEO STREAM. COMMENT TIME
[00:27:11] WILL BE LIMITED TO TWO MINUTES PER PERSON. CLERK, PLEASE CALL
[00:27:14] THE FIRST SPEAKER. THANK YOU, COMMISSIONER STEINBREUCK. THE
[00:27:17] FIRST PERSON THAT I HAVE SIGNED UP TO SPEAK TODAY IS
[00:27:21] ALEX AMANAS.
[00:27:24] ALEX, IF YOU WERE ABLE TO JOIN US VIA PHONE YOU WILL NEED TO
[00:27:27] PRESS STAR SIX TO UNMUTE ON YOUR DEVICE.
[00:27:35] ALEX WAS NOT ABLE TO JOIN US THIS MORNING DURING ROLL SO
[00:27:38] I'M NOT SURE IF THEY'VE BEEN ABLE TO JOIN SINCE.
[00:27:45] OKAY, NEXT SPEAKER. I WILL GO TO BERNADINE LEND.
[00:28:00] BERNADINE, ARE YOU ABLE TO UNMUTE YOUR DEVICE?
[00:28:05] YES. I DID. I HAD SARAH NEXT?
[00:28:10] I CAN GO. I JUST THOUGHT SHE CAME FIRST. THAT'S OKAY.
[00:28:13] SOMETIMES THE ORDER GETS A LITTLE JUMBLED. OKAY.
[00:28:18] OH, HELLO COMMISSIONERS. THIS IS BERNARDINE LUND AND I HAVE
[00:28:21] THREE COMMENTS TODAY ALL RELATED TO NOISE. THE FIRST ONE
[00:28:25] IS ABOUT THE NOISE MONITOR DATA. I'M USING THE PORT NOISE
[00:28:29] MONITORED DATA TO ESTIMATE NUMBER OF FLIGHTS HAS BEEN HARD
[00:28:31] BECAUSE IT DOES NOT SEEM THE NOISE MONITORING COMPANY IS
[00:28:35] DOING ANY QUALITY CONTROL ON THE DATA. HAVING MISSING DATA
[00:28:39] AND VARIOUS NUMBER OF DUPLICATE FLIGHTS COUNTED SEEMS VERY
[00:28:42] UNPROFESSIONAL AND NOT SOMETHING FOR WHICH THE COMPANY

[00:28:45] WOULD WANT TO BE KNOWN. EVEN AS OF THIS WEEKEND, DATA IS NOT
[00:28:48] AVAILABLE FOR MONITOR #9 BEACON HILL FOR BOTH MAY
[00:28:54] AND JUNE.
[00:28:57] I STRONGLY RECOMMEND YOU INCLUDE LANGUAGE IN THE
[00:29:00] CONTRACT WITH THE NOISE MONITOR COMPANY TO INCLUDE MONITORING
[00:29:03] REPORTING AND INVESTIGATING MISSING DATA AND DATA
[00:29:05] ANOMALIES. IF NOT IN THE CONTRACT, THIS RESPONSIBILITY
[00:29:09] NEEDS TO BE ASSIGNED TO A PORT STAFF MEMBER.
[00:29:14] THE NEXT ITEM IS ABOUT DNL NOISE CALCULATION. THE FAA'S
[00:29:19] CALCULATION OF THE DNL NOISE MEASURE HAS BEEN SEVERELY
[00:29:23] CRITICIZED BECAUSE IT IS VERY INSENSITIVE TO PERIODIC RISING
[00:29:27] AND FALLING NOISE LEVELS AND INCREASES IN THE NUMBER OF NOISE EVENTS,
[00:29:32] AND I'M ASKING THAT YOU, AS PORT COMMISSIONERS, PLEASE PUSH
[00:29:35] THE FAA TO DEVELOP A NOISE MEASURE THAT IS MORE
[00:29:39] REPRESENTATIVE OF WHAT WE ARE HEARING. THE 2018 FAA
[00:29:43] REAUTHORIZATION BILL REQUESTED THE FAA TO EXAMINE AND DEVELOP
[00:29:47] A MORE REALISTIC MEASURE, BUT THE FAA DID NOT CHANGE THE
[00:29:51] MEASURE. AND I ALSO THOUGHT YOU COULD CONSIDER ASKING YOURSELF
[00:29:55] TO DEVELOP A MORE REALISTIC NOISE METRIC. YOUR STAFF SEEM
[00:29:59] VERY KNOWLEDGEABLE ABOUT NOISE AND HAVE ALREADY EXPLAINED
[00:30:02] THAT NOISE MONITORS ARE NOT GOOD AT
[00:30:06] PICKING UP LOW RUMBLE NOISE THAT WE HEAR OFTEN.
[00:30:11] AND THE THIRD COMMENT IS ABOUT SUPERSONIC FLIGHT. I DON'T KNOW
[00:30:15] HOW MANY PEOPLE HAVE BEEN MONITORING IT BUT STARTING
[00:30:18] ABOUT A YEAR AGO, THE COMPANY HAS BEEN DEVELOPING
[00:30:22] SUPERSONIC FLIGHT AND HAS EVEN ASKED THE FAA TO CHANGE ITS
[00:30:27] POLICIES TO ALLOW TESTING OF SUCH FLIGHTS.
[00:30:32] LANCE LITTLE MENTIONED THAT THEY HAVE ASKED
[00:30:36] FOR AND HE'S AGREED TO HAVE SUPERSONIC FLIGHTS REACH
[00:30:39] SEA-TAC AIRPORT BEGINNING NEXT FALL. PLEASE RECONSIDER AND
[00:30:43] REFUSE THIS REQUEST. OKAY. THANK YOU, BERNADINE. NEXT SPEAKER,
[00:30:48] PLEASE.
[00:30:50] YES NEXT I HAVE ANN CROKER. ANN HAS JOINED US VIA DESKTOP
[00:30:54] SO I'M SENDING THE UNMUTE PROMPT NOW.
[00:31:02] OKAY, YOU'VE GOT ME NOW? YEP. THANK YOU VERY MUCH.
[00:31:08] I WAS PRIMARILY GOING TO MAKE COMMENT ON ITEM 6E SO I'M
[00:31:13] GOING TO SHORTEN THAT AND THEN SEND IT IN WRITTEN MORE
[00:31:17] APPROPRIATELY FOR THE NEXT MEETING.
[00:31:22] SO I WILL SAY A LITTLE BIT ABOUT THAT. AND ONCE AGAIN, I'M
[00:31:25] ANN CROAKER, SOUTH DES MOINES RESIDENT, MEMBER OF QUIET SKIES
[00:31:30] PUGET SOUND AND OF 350 SEATTLE AVIATION. QUICKLY ON THE OTHER
[00:31:36] ITEM I'M GOING TO TALK ABOUT 6H WHICH IS ABOUT THE BATHROOMS.
[00:31:40] AND WE LOVE THE IDEA OF MORE AIR FLOWING THROUGH ALL THE
[00:31:44] BATHROOMS AND NOT SURE WHY WE DIDN'T DO THIS SOONER,
[00:31:49] AND I DO REALIZE THIS IS ABOUT PAYING OFF DEBTS, BUT IT'S
[00:31:52] WITHIN THE LARGER PROJECT OF CONTINUING EXPANSION, AND I'M
[00:31:55] ASKING YOU PLEASE DO NOT EXPAND OUT. DO THE BATHROOMS
[00:32:00] THAT ARE THERE, DO NOT CREATE MORE INFRASTRUCTURE FOR
[00:32:06] FOR PASSENGERS TO COME WHO MAY NOT COME BUT ALSO HAVE NOT BEEN
[00:32:11] AUTHORIZED THROUGH THE SAMP YET. THANK YOU VERY MUCH FOR
[00:32:14] THAT. AND QUICKLY TO GO BACK TO THE ITEMS 6E
[00:32:19] REGARDING NOISE MONITORING. WHAT WE REALLY WOULD LIKE THE
[00:32:24] PORT TO DO IS TO SET UP A NOISE MONITOR SYSTEM, REAL FLIGHT
[00:32:29] PATTERNS, THE FULL LENGTH OF ALL OF THEM, PERMANENTLY CHECKED,
[00:32:34] RECORDED, AND CHECKED AGAIN. THE PORT NEEDS TO FULLY SERVE ALL
[00:32:39] OF THEIR CONSTITUENTS AND NOT ALLOW EAR-SHATTERING AND
[00:32:42] STOMACH WRENCHING NOISE MACHINES TO ATTACK THE HEALTH
[00:32:46] AND PSYCHES OF THE PEOPLE AND CREATURES UNDERNEATH THESE
[00:32:49] FLIGHT PATHS EVERY DAY AND EVERY NIGHT. WE NEED YOU TO
[00:32:53] CARE ABOUT THE COMMUNITY UNDER THE TARGETED FLIGHT PATHS WHO
[00:32:57] BEAR THE BRUNT OF THE NOISE HARM TO HEALTH AND THE
[00:33:00] DISRUPTION TO THEIR ABILITY TO CONDUCT THEIR LIVES AS
[00:33:03] EFFECTIVELY AS THOSE WHO DO NOT HAVE TO BEAR THIS. AND THEN

[00:33:07] WE NEED YOU TO ACT ACCORDINGLY. THANK YOU VERY MUCH FOR THE
[00:33:10] ATTENTION TO THIS MATTER NOW AND FOR THE UPCOMING MEETING.
[00:33:14] THANK YOU ANN. NEXT SPEAKER, PLEASE.
[00:33:17] YES, NEXT I HAVE JC HARRIS AND MR. HARRIS HAS JOINED US FROM
[00:33:22] DESKTOP SO I'M SENDING THE UNMUTE PROMPT NOW.
[00:33:29] GOOD AFTERNOON COMMISSIONERS.
[00:33:32] IT JUST OCCURRED TO ME THAT IT'S BEEN 4 YEARS SINCE I FIRST
[00:33:37] CAME BEFORE YOU AND I ASKED DAVID SWANKY
[00:33:43] TO MAKE THE NOISE MONITOR DATA PUBLIC WHICH IT WAS NOT AT
[00:33:49] THE TIME AND SO THAT I COULD CREATE SPREADSHEETS SHOWING THE
[00:33:55] NUMBER OF FLIGHTS AND THE DECIBEL LEVELS OVER EACH
[00:34:00] COMMUNITY.
[00:34:02] AND YOU GUYS DID IT AND IT WAS POPULAR ENOUGH THAT YOU THEN
[00:34:08] CREATED THE TABLEAU SYSTEM NOW FOR YOURSELVES, WHICH THOUSANDS
[00:34:14] OF PEOPLE HAVE TAKEN A LOOK AT. SO YAY. TRANSPARENCY. GREAT.
[00:34:22] SO THE PROBLEM IS
[00:34:25] THE MOMENT I STARTED ANALYZING THE DATA, AND THIS IS LIKE FOUR
[00:34:29] YEARS AGO,
[00:34:31] IF IT WAS CLEAR THAT THE MONITORS. THEY'RE JUST
[00:34:36] WRONG. A LOT OF THE TIME
[00:34:39] THEY MISS EVENTS AND THEY GET THE ACTUAL NOISE LEVEL WRONG
[00:34:46] BY LIKE UP TO 10 DBE'S WHICH IS A LOT.
[00:34:51] SO I'M GLAD THAT YOU'RE PULLING ITEM 6B.
[00:34:57] THE VENDOR OFFERS THE OPTION TO GIVE YOU THE RAW RECORDING
[00:35:03] FILES AND I WOULD ASK YOU TO INSIST UPON THAT FROM THE
[00:35:09] VENDOR BECAUSE THAT'S THE ONLY WAY FOR US TO AUDIT THE RESULTS
[00:35:14] THAT WE GET. ALL RIGHT.
[00:35:18] AND GIVEN THE REALLY RAMPANT INACCURACY OF THE DATAM I THINK
[00:35:23] THEY SHOULD THROW IT IN FOR NOTHING. MR. GOEBEL HAS EVERY
[00:35:27] RIGHT TO EXPECT THAT HE CAN HAVE AN AUDIT TRAIL TO VERIFY
[00:35:34] HIS NEW NOISE MONITOR IS GIVING THE RESULTS THAT HE HOPES IT
[00:35:39] WILL.
[00:35:41] JUST A COUPLE MORE SECONDS. THERE ARE A NUMBER OF REASONS
[00:35:45] WHY THE
[00:35:47] MONITORS GIVE INACCURATE DATA AND THE BIGGEST REASON IS THAT
[00:35:51] THEY'RE IN THE WRONG SPOTS. THAT MAY BE TOO HEAVY A LIFT FOR
[00:35:55] IMMEDIATE RELIEF BUT RIGHT NOW IF WE CAN JUST GET THAT RAW
[00:36:01] DATA FROM THE VENDOR THAT WILL GO A LONG WAY TO HELPING THE
[00:36:06] COMMUNITY. OKAY.
[00:36:08] THANK YOU. JC. NEXT SPEAKER, PLEASE.
[00:36:11] NEXT IS DAVID GOEBEL AND MR. GOEBEL HAS JOINED US ON DESKTOP
[00:36:16] AS WELL. SO I WILL BE SENDING THE UNMUTE PROMPT NOW.
[00:36:26] HELLO. YES, I CAN HEAR YOU.
[00:36:30] SO I HAVEN'T HAD A HAIRCUT IN-- CAN YOU SEE ME TOO?
[00:36:34] I CAN'T CURRENTLY BUT
[00:36:38] THERE YOU GO.
[00:36:40] SO I HAVEN'T HAD A HAIRCUT IN SEVEN MONTHS. SO HOPEFULLY WHEN
[00:36:45] I SEE YOU AGAIN IN PERSON, I'M LOOKING FORWARD TO THAT, I'LL
[00:36:47] LOOK NOT QUITE SO MUCH LIKE A SEA MONSTER. ANYWAY, I'M
[00:36:50] DAVID GOEBEL, THE PRESIDENT OF VASHON FAIR SKIES, 501 C 3 AND
[00:36:55] SPEAKING TODAY ALSO ON ITEM 6E, THE UNANIMOUS CONSENT CALENDAR.
[00:36:59] I'D HAVE TO ASK IT NOW TO BE PULLED BUT IT HAS BEEN, AT
[00:37:02] LEAST DELAYED UNTIL THE NEXT MEETING. THIS CONTRACT IS
[00:37:05] ABSOLUTELY CENTRAL TO THE PORT'S COMMUNITY NOISE OPERATIONS AND
[00:37:08] THERE'S BEEN NO OPPORTUNITY TO REVIEW THE CHANGES IN THE
[00:37:11] CONTRACT. I HAVE A COPY OF THE EXISTING HARRIS L3 CONTRACT FOR
[00:37:16] THE NOISE MONITORS AND I OPEN PUBLIC RECORDS REQUEST 20-314
[00:37:20] JUST RECENTLY TO GET A COPY OF THE NEW ONE, THE ONE THAT
[00:37:23] WAS IN
[00:37:25] ITEM 6E AND SO I'M SOON AS I GET THAT I'M GOING TO COMPARE
[00:37:29] IT TO THE OLD ONE BASICALLY AND SEE WHAT THE
[00:37:31] CHANGES WERE. IF THAT TAKES A LONG TIME, HOPEFULLY IT WON'T
[00:37:34] TAKE MORE THAN A FEW WEEKS. BUT IF IT RUNS UP TO I DON'T HAVE

[00:37:37] IT FOR THE NEXT MEETING, YOU'LL BE HEARING FROM ME IN SIDE
[00:37:41] CHANNELS.
[00:37:43] I'M PARTICULARLY CONCERNED
[00:37:45] ABOUT THE RAW DATA AS WELL. THE SECOND BY SECOND DATA ON THE
[00:37:48] LARSON DAVIS MONITORS. IT'S IMPORTANT THAT [INAUDIBLE]
[00:37:51] THE MONITORS. THIS IS PORT OWNED MONITORS AND IS PORT OWNED DATA
[00:37:54] AND WHAT L3 HARRIS DOES IS PERIODICALLY DOWNLOAD THAT DATA
[00:37:58] TO THEN GENERATE THE SUMMARY RESULTS AND THEN THEY PURCHASE
[00:38:00] FROM THE MONITORS. BUT YOU HAVE ACCESS THAT DATA. YOU CAN
[00:38:02] DOWNLOAD IT YOURSELF. I SUBMITTED A WRITTEN COMMENT
[00:38:05] TODAY EXPLAINING IN DETAIL THE TECHNICAL NEEDS FOR THE RAW
[00:38:09] DATA, IT'S ONLY THREE PAGES AND IT HAS SEVERAL NEAT PICTURES.
[00:38:12] SO IF YOU COULD PLEASE TAKE A LOOK AT THAT, SHOULD BE PART OF
[00:38:15] THE RECORD, SHOULD HAVE RECEIVED IT. COLOR PICTURES AND THINGS.
[00:38:18] SO ONLY THREE PAGES IF YOU COULD JUST TAKE THE TIME JUST
[00:38:20] TO READ IT THAT'D BE GREAT. I REVIEWED THE CURRENT HARRIS
[00:38:25] CONTRACT AND SOMETHING IS THERE THAT
[00:38:28] EXPLICITLY PROHIBITS THEM FROM GOING AND ALLOWING
[00:38:31] ALLOWING THE PORT TO ACCESS THEIR OWN DATA BECAUSE THAT
[00:38:34] WOULD BE SILLY BUT THERE'S NOTHING THAT
[00:38:36] SAYS THAT
[00:38:38] PROGRAMS FOR YOU TO GET THAT DATA AGAIN. YOU COULD DOWNLOAD
[00:38:41] IT OR L3 HARRIS COULD JUST SIMPLY PROVIDE IT TO YOU WITH
[00:38:44] THE SUMMARY RESULTS, WHICH IS KIND OF ROUNDABOUT. BUT IDEALLY
[00:38:48] YOU WOULD BE ABLE TO JUST KEEP IT. I WAS AT A NOISE
[00:38:51] CONFERENCE MEETING IN MARCH AND I SPOKE WITH L3 HARRIS STAFF
[00:38:54] THERE AND THEY SAID THERE'S NO TECHNICAL PROBLEM TO YOU GUYS
[00:38:57] RETAINING THE DATA. IT'S ABOUT SIXTY TWO MEGABYTES PER
[00:38:59] MONTH WHICH IS NOTHING AND SO I ENCOURAGE
[00:39:04] YOU TO TAKE THAT, WHEN YOU LOOK AT MORE DETAIL THE CONTRACT, TO
[00:39:07] TAKE THAT INTO CONSIDERATION. THANK YOU. THANK YOU, DAVE.
[00:39:10] OTHER SPEAKERS? YES NEXT I HAVE SARAH SHIVELY.
[00:39:18] HI, MY NAME IS SARAH SHIVELY. I'M A MEMBER OF THE 360 SEATTLE
[00:39:22] AVIATION TEAM.
[00:39:24] THE SUBSTANTIALSUSTAINED DROP IN SEATAC USE AS SHOWN IN THE
[00:39:28] Q2 2020 FINANCIAL PERFORMANCE
[00:39:31] BRIEFING PRESENTS YOU WITH UNPRECEDENTED OPPORTUNITY
[00:39:34] TO EVALUATE AND CHANGE THE COURSE OF SEATAC OPERATIONS. THE
[00:39:38] PORT CAN SEIZE THIS OPPORTUNITY STARTING BY TAKING STEPS TO
[00:39:41] FULLY UNDERSTAND TWO THINGS: SEATAC'S ROLL IN OUR CURRENT
[00:39:45] CLIMATE CRISIS, AND THE ONGOING ENVIRONMENTAL INJUSTICES
[00:39:48] [INAUDIBLE]
[00:39:50] BASED ON KING COUNTY'S MOST RECENT GREENHOUSE GAS EMISSIONS
[00:39:53] INVENTORY, EMISSIONS FROM SEATAC ACCOUNT FOR ABOUT A
[00:39:58] QUARTER OF THE COUNTY'S EMISSIONS BASED ON FUEL
[00:40:00] PUMP. AND THAT'S BEFORE CONSIDERING THAT AVIATION
[00:40:02] EMISSIONS HAVE A 2 TO 4 TIMES GREATER WARMING IMPACT THAN ON
[00:40:05] THE GROUND EMISSIONS. YOU ARE ENABLING THESE EMISSIONS AND
[00:40:08] THEY ARE YOUR RESPONSIBILITY. TO NOT ADDRESS THE FULL ADMISSION
[00:40:11] THAT YOU ENABLE OR EVEN ACKNOWLEDGE THAT THEY EXIST IS
[00:40:13] IRRESPONSIBLE, IF NOT IMMORAL. AND ON TOP OF THAT, WE KNOW
[00:40:17] THAT AIR NOISE POLLUTION FROM SEATAC OPERATIONS IS CONCENTRATED
[00:40:20] ON LOW-INCOME COMMUNITIES AND COMMUNITIES OF COLOR CAUSING
[00:40:23] VARIOUS LIFE-THREATENING HEALTH CONDITIONS, PRETERM BIRTHS, AND
[00:40:26] LOWER LEARNING OUTCOMES. THIS CONCENTRATION OF POLLUTION IS A
[00:40:29] RESULT OF YOUR INACTION AND IT IS FULLY YOUR RESPONSIBILITY TO
[00:40:32] ADDRESS THIS. EXECUTIVE DIRECTOR METRUCK WAS WRONG WHEN HE SAID
[00:40:34] DURING HIS REPORT THAT WE ARE ALL HAPPY TO SEE INCREASED
[00:40:35] SHOULD BE DOING:
[00:40:48] COMPLETING A THOROUGH GREENHOUSE GAS EMISSION
[00:40:50] INVENTORY OF AIRPORT OPERATIONS, INCLUDING ALL
[00:40:52] EMISSIONS FROM FUEL PUMPS AND FACTORING AND RADIATIVE FORCING,
[00:40:56] COMPLETING AN ANALYSIS OF THE DISPARATE IMPACT SEATAC AIR

[00:40:59] TRAFFIC HAS ON NOISE POLLUTION,
[00:41:02] THE DISPARATE IMPACT SEATAC AIR TRAFFIC AND NOISE
[00:41:05] POLLUTION HAVE ON MARGINALIZED COMMUNITIES AND COMMUNITIES OF
[00:41:08] COLOR. AND WHILE I UNDERSTAND THERE ARE CONCERNS ABOUT REVENUE
[00:41:11] AND [INAUDIBLE] ON LOCALLY OWNED SMALL BUSINESSES, THE PORT HAS
[00:41:14] AUTHORITY TO RESTRUCTURE USAGE FEES IF REVENUE IS OF
[00:41:18] THE UTMOST CONCERN AND TO STRUCTURE COSTS SO THEY DON'T
[00:41:19] CREATE FURTHER INEQUITY
[00:41:21] FOR LOCALLY OWNED SMALL BUSINESSES.
[00:41:24] THANK YOU.
[00:41:28] OKAY, THANK YOU. NEXT SPEAKER, PLEASE. YES. JORDAN VAN VOST
[00:41:34] IS WHO I HAVE SIGNED UP NEXT.
[00:41:37] JORDAN.
[00:41:42] GOOD AFTERNOON, COMMISSIONERS, EXECUTIVE DIRECTOR METRUCK AND
[00:41:45] PORT STAFF. MY NAME IS JORDAN VAN VOST. ABOUT TWO WEEKS AGO
[00:41:49] THE LAST [INAUDIBLE] IN THE CANADIAN ARCTIC
[00:41:53] COLLAPSED LOSING MORE THAN 40% OF ITS AREA AND JUST TWO DAYS
[00:41:57] [INAUDIBLE]
[00:42:01] SQUARE KILOMETERS. BY COMPARISON THE ISLAND OF MANHATTAN COVERS
[00:42:06] ROUGHLY 60 SQUARE KILOMETERS. AS A CHILD PLAYING AT THE
[00:42:10] CITY POOL OR WALKING THROUGH THE WOODS, IT NEVER OCCURRED TO ME
[00:42:13] THAT HUMANITY WAS DURING THE ANTHROPOCENE EXTINCTION ERA, A
[00:42:17] TIME WHEN PERHAPS 90% OF LIFE DISAPPEARS FOREVER, BUT THAT IS
[00:42:22] UNDENIABLY WHAT IS HAPPENING ACCORDING TO AN OVERWHELMING
[00:42:25] MAJORITY OF SCIENTISTS.
[00:42:28] ONE SUNDAY EARLY THIS MONTH I PADDLED 20 MILES IN A KAYAK.
[00:42:34] WE PASSED A SMALLER ROOKERY OF CRITICALLY
[00:42:36] ENDANGERED SEALIONS, SAW TWO EAGLES, ONE GREAT BLUE
[00:42:40] HERON, A FEW HARBOUR PORPOISE, SOME SEALS, ZERO ORCAS OR OTHER
[00:42:45] WHALES AND NO SIGN OF SALMON. OUR OCEANS ARE DYING AND IT'S
[00:42:48] NOT AS SIMPLE AS A FEW DAMS ON THE COLUMBIA RIVER BUT PART OF
[00:42:51] A MUCH BROADER PATTERN OF HOW HUMANS THROUGH OUR COLLECTIVE
[00:42:55] CHOICES HAVE CHANGED THE BIOSPHERE OVER THE PAST FEW
[00:42:58] CENTURIES. WEARING A MASK IN PUBLIC IS SEEN AS A RESPONSIBLE
[00:43:02] ACTION TO SAVE LIVES AND PREVENT HARM. DISMANTLING THE
[00:43:05] NON-ESSENTIAL CRUISE INDUSTRY WITH ITS MANY ADVERSE IMPACTS
[00:43:09] TO THE CLIMATE, THE GLOBAL ENVIRONMENT, PUBLIC HEALTH,
[00:43:11] COASTAL COMMUNITIES, WORKERS SHOULD SIMILARLY BE VIEWED AS
[00:43:15] AN APPROPRIATE RESPONSE TO THE EMERGENCE THREAT OF ECOLOGICAL
[00:43:18] COLLAPSE. THE CLIMATE EMERGENCY IS ALREADY KILLING PEOPLE IN
[00:43:22] VULNERABLE FRONTLINE COMMUNITIES PARTICULARLY IN THE
[00:43:24] GLOBAL SOUTH AND OUR CHOICES IN THE FOURTH WORLD, PARTICULARLY
[00:43:28] BY GOVERNMENT DECISION-MAKERS, MAKES US COMPLICIT. THIS
[00:43:32] INDUSTRY IS NOT ESSENTIAL AND THERE ARE OTHER WAYS TO
[00:43:35] STIMULATE ECONOMIC ACTIVITY AND [INAUDIBLE]
[00:43:39] PLEASE CANCEL THE T-46 PROJECT AND SHRINK THE CRUISE
[00:43:43] INDUSTRY AND ALSO THE AVIATION INDUSTRY IN SEATTLE. BE A
[00:43:47] TRUE LEADER FOR PORT CITIES AROUND THE WORLD BY INITIATING
[00:43:50] A RAPID RESPONSE TO CLIMATE. THANK YOU.
[00:43:55] THANK YOU. NEXT SPEAKER. YES. IRIS ANTMAN.
[00:44:06] GOOD AFTERNOON. THIS IS A IRIS ANTMAN.
[00:44:10] I'D LIKE TO THANK YOU FOR WITHDRAWING THE RFP FOR THE
[00:44:13] THIRD CRUISE SHIP TERMINAL AND THEREFORE HALTING THE PROJECT
[00:44:16] FOR NOW. AS A MEMBER OF SEATTLE CRUISE CONTROL, I'D LIKE TO
[00:44:20] THINK OUR GROUP HAD AN IMPACT ON THIS DECISION, BUT THAT
[00:44:23] WOULD BE NAIVE. I UNDERSTAND THE DECISION WAS MADE BECAUSE
[00:44:27] OF THE PANDEMIC AND THE ORDER FROM THE CDC TO HOLD
[00:44:30] CRUISING FOR NOW. THE PORT OF SEATTLE IS A VITAL PART OF OUR
[00:44:34] CITY HISTORICALLY, ECONOMICALLY, AND SOCIALLY AND COMMISSIONERS
[00:44:38] HAVE AN OPPORTUNITY TO SHINE FOR MAKING BOLD AND COURAGEOUS
[00:44:42] DECISIONS THAT REFLECT THE REALITY OF THE CLIMATE
[00:44:45] EMERGENCY. OUR GROUP HAS OFFERED DETAILED TESTIMONY ON
[00:44:49] THE ADVERSE EFFECTS ON PUBLIC HEALTH, MARINE LIFE, HEALTH, AIR

[00:44:54] AND WATER POLLUTION, LABOR PRACTICES, PORT COMMUNITIES,
[00:44:59] GLOBAL WARMING EFFECTS OF MASSIVE GREENHOUSE GAS EMISSIONS
[00:45:03] IGNORING ALL OF THIS VERY 20TH CENTURY. ADDITIONALLY
[00:45:09] ANOTHER WAY OF UNDERSTANDING OUR OPPOSITION TO EXPANDING
[00:45:12] CRUISING AND OUR WISH FOR THE INDUSTRY TO ACTUALLY SHRINK IS
[00:45:17] TO LOOK DIRECTLY AT THE INDUSTRY ITSELF IN THE WAY IT
[00:45:19] DOES BUSINESS. IT'S POOR TREATMENT OF WORKERS AND PORT
[00:45:22] OF CALL CITIES, ITS HISTORY OF ILLEGAL WASTE DUMPING, AND ITS
[00:45:27] CORPORATE STRUCTURE TO AVOID PAYING TAXES, ENABLING
[00:45:30] CORPORATE PLAYERS TO CONTINUE WITH THEIR UNETHICAL PRACTICES
[00:45:35] IS COMPLICITY. WE MUST DO BETTER. YOU MUST DO BETTER. NOT
[00:45:39] ONLY SHOULD YOU SCRAP THE PLAN AT T-46 PERMANENTLY, BUT YOU
[00:45:43] SHOULD WORK WITH THE INDUSTRY TO DEMAND THEY CLEAN UP THEIR
[00:45:46] ACT IN HUGE AND MEANINGFUL WAYS. IF THEY ARE NOT WILLING
[00:45:50] TO DO THIS, IT IS TIME FOR THE PORT TO SAY NO TO CRUISING AND
[00:45:54] TURN TO OTHER IDEAS FOR AN ALIVE AND VIBRANT 21ST CENTURY
[00:45:58] SEATTLE WATERFRONT. THANK YOU VERY MUCH.
[00:46:03] OKAY, THANK YOU. NEXT SPEAKER, PLEASE.
[00:46:07] I'M GOING TO GO BACK ONE MORE TIME. THAT IS EVERYONE. BUT I'M
[00:46:10] GOING TO GO BACK TO ALEX TO SEE IF THEY'VE BEEN
[00:46:13] ABLE TO JOIN US.
[00:46:15] OKAY.
[00:46:20] OKAY, IS ALEX IN ATTENDANCE? DON'T BELIEVE SO, I DON'T THINK
[00:46:26] I'VE SEEN ANY NEW NUMBERS COME ON. LET'S TURN TO THE CLERK'S
[00:46:31] SYNOPSIS OF WRITTEN COMMENTS RECEIVED INCLUDING THE
[00:46:34] INDIVIDUAL NAMES OF THE INDIVIDUALS WHO SUBMITTED.
[00:46:38] THANK YOU. MR. COMMISSIONER PRESIDENT, MEMBERS OF THE
[00:46:40] COMMISSION. TODAY WE'VE RECEIVED FIVE WRITTEN COMMENTS
[00:46:43] FOUR CORRESPOND TO OUR PUBLIC SPEAKERS TODAY FROM MISS
[00:46:46] BERNADINE LUND, FROM MISS SARAH SHIVELY, FROM MR. DAVID
[00:46:49] GOEBEL, AND FROM MR. JORDAN VAN VOST. THE FIFTH RECEIVED
[00:46:53] FROM MISS LAURA GIBBONS. SHE'S A SEATTLE RESIDENT AND
[00:46:57] VOLUNTEER OF MEMBER 360 SEATTLE'S AVIATION TEAM AND SHE
[00:47:00] WRITES REGARDING A REQUEST BY SEVEN AIRLINES FOR LEASE
[00:47:03] REDUCTIONS AND ASKS FOR A REDUCTION IN AVIATION NOT
[00:47:07] SUBSIDIES IN AIRLINE INDUSTRY.
[00:47:11] THAT'S THE REPORT ON WRITTEN COMMENTS. THANK YOU CLERK HART.
[00:47:14] THANK YOU. WITH THAT, WE MOVE TO THE NEXT ITEM, NUMBER SIX,
[00:47:18] WHICH IS THE UNANIMOUS CONSENT CALENDAR WHICH HAS BEEN AMENDED
[00:47:23] BY MOTION AND VOTE. AND NORMALLY WE DON'T TAKE COMMENT
[00:47:27] OR WE DON'T DISCUSS CONSENT AGENDA ITEMS BUT
[00:47:30] COMMISSIONER BOWMAN HAS ASKED TO OFFER A FEW COMMENTS ON SOME
[00:47:35] OF THE ITEMS ON THE CONSENT AGENDA. COMMISSIONER BOWMAN.
[00:47:42] GREAT. THANK YOU. CAN YOU HEAR ME?
[00:47:46] FOR MARITIME BLUE.
[00:48:16] MY SECOND QUESTION IS WHAT OTHER FUNDING SOURCES
[00:48:18] SPECIFICALLY DOES MARITIME BLUE HAVE BESIDES THE PORT OF
[00:48:21] SEATTLE? AND THEN MY THIRD QUESTION IS IS THIS \$300,000
[00:48:26] CONTRACT REQUEST INCLUDED IN THE 2020 BUDGET OR IS IT FOR
[00:48:31] THE 2021 BUDGET? THOSE ARE MY THREE QUESTIONS THERE. AGAIN, I
[00:48:37] SUPPORT APPROVAL OF IT, BUT NONE OF THOSE QUESTIONS WERE
[00:48:40] APPARENT IN THE MEMO.
[00:48:43] OKAY, AND IT'S ALWAYS GOOD TO TRY TO GET QUESTIONS IN IN
[00:48:46] ADVANCE OF A COMMISSION MEETING WHEN THE TOPIC IS UP FOR A
[00:48:50] VOTE SO APPRECIATE THOSE THOUGHTFUL QUESTIONS
[00:48:52] COMMISSIONER BOWMAN. AND I WANT TO APOLOGIZE TO STAFF BUT YOU
[00:48:57] KNOW, WE RECEIVED THE AGENDA ON THURSDAY AND I DON'T
[00:49:01] CURRENTLY HAVE PERMANENT STAFFING SO IT'S DIFFICULT FOR
[00:49:04] ME TO GET ALL MY QUESTIONS ANSWERED BUT
[00:49:08] IF I CAN GET SOME STAFF ASSIGNED, I'D BE HAPPY TO GET
[00:49:11] THOSE IN EARLIER. OKAY. THANK YOU. SO AT THIS AT THIS TIME THE
[00:49:16] CHAIR WILL ENTERTAIN A MOTION TO APPROVE THE CONSENT CALENDAR
[00:49:19] COVERING ITEM 6 A B C D E F G H I J AND 6 K. IS THERE A MOTION?

[00:49:29] SO MOVED. AND A SECOND, PLEASE. SECOND. IT'S BEEN MOVED AND
[00:49:35] SECONDED.
[00:49:37] CLERK, PLEASE CALL THE ROLL. WHEN YOUR NAME IS CALLED
[00:49:40] PLEASE SAY YES OR NO
[00:49:43] ON THE MOTION TO APPROVE THE CONSENT AGENDA AS AMENDED.
[00:49:47] THANK YOU. MR. PRESIDENT. BEGINNING WITH COMMISSIONER
[00:49:49] BOWMAN.
[00:49:52] AYE.
[00:49:54] THANK YOU. COMMISSIONER CALKINS. AYE. THANK YOU. COMMISSIONER CHO
[00:50:00] AYE. THANK YOU. COMMISSIONER FELLEMAN. AYE.
[00:50:04] THANK YOU. COMMISSIONER STEINBREUCK, FOR APPROVAL OF THE
[00:50:07] AGENDA. YES. THANK YOU. THAT MOTION IS APPROVED UNANIMOUSLY.
[00:50:12] OKAY, THE CONSENT AGENDA HAS BEEN APPROVED UNANIMOUSLY. ON TO
[00:50:18] ITEM NUMBER SEVEN SPECIAL ORDERS OF OUR MEETING. THERE
[00:50:24] ARE NO SPECIAL ORDERS. WE'RE ACTUALLY AHEAD OF SCHEDULE HERE
[00:50:28] ON OUR MEETING TIME. THERE ARE ALSO NO
[00:50:34] AUTHORIZATIONS UNDER ITEM 8 TODAY SO WE WILL NOW TURN TO
[00:50:39] ITEM 9, WHICH IS PRESENTATIONS, REPORTS, AND STAFF BRIEFINGS. WE
[00:50:44] HAVE TWO SCHEDULED BRIEFINGS. CLERK. PLEASE READ THE FIRST
[00:50:47] ITEM INTO THE RECORD. THANK YOU, MR. COMMISSION PRESIDENT.
[00:50:50] THE FIRST ITEM BEFORE YOU IS ITEM 9A, RECREATIONAL BOATING
[00:50:53] BRIEFING.
[00:50:56] COMMISSIONERS, THIS ITEM ON OUR AGENDA IS A STAFF BRIEFING ON
[00:51:00] OUR RECREATIONAL BOATING LINE OF BUSINESS WITH A SPECIFIC
[00:51:03] FOCUS ON OUR FLAGSHIP RECREATIONAL BOATING FACILITY
[00:51:06] THE SHILSHOLE MARINA. THE PORT OF SEATTLE OPERATES FOUR
[00:51:09] RECREATIONAL BOATING MARINAS REPRESENTING 1700 MOORAGE
[00:51:13] SLIPS. SHILSHOLE MARINA HOSTS THE LARGEST LIVE ABOARD
[00:51:16] COMMUNITY ON THE WEST COAST. TODAY, YOU'LL HEAR ABOUT THE
[00:51:20] RECREATIONAL BOATING PORTFOLIO WHICH INCLUDES AN OVERVIEW OF
[00:51:23] OUR MARINAS, CAPITAL DEVELOPMENT ENVIRONMENTAL COMPLIANCE, AND
[00:51:26] WORKFORCE DEVELOPMENT PROGRAMS. YOU'LL ALSO HEAR HOW THE
[00:51:30] RECREATIONAL BOATING TEAM IS RESPONDING TO THE COVID-19
[00:51:33] HEALTH CRISIS AS IT RELATES TO CUSTOMER AND COMMUNITY
[00:51:36] COMPLIANCE WITH STATE HEALTH MANDATES AND SAFETY PROTOCOLS.
[00:51:40] PRESENTING TODAY ARE KENNETH LYLES, DIRECTOR MARITIME
[00:51:44] OPERATIONS AND SECURITY AND JOE WOODS, SENIOR MANAGER
[00:51:47] RECREATIONAL BOATING.
[00:51:50] THANK YOU, DIRECTOR METRUCK, PRESENTERS.
[00:51:57] PLEASE UNMUTE OUR PRESENTERS AND PRESENTERS PLEASE UNMUTE
[00:52:00] YOURSELVES. COMMISSIONERS WILL REMAIN MUTED UNTIL THE
[00:52:04] PRESENTATION IS COMPLETE. AT THAT TIME I WILL CALL ON EACH OF
[00:52:07] YOU TO ASK QUESTIONS OR OFFER COMMENTS IN THE ORDER
[00:52:11] ALPHABETICALLY. THANK YOU. GOOD AFTERNOON, PRESIDENT
[00:52:16] STEINBREUCK. KENNY! YES, 'TIS !! GOOD AFTERNOON PRESIDENT
[00:52:24] STEINBREUCK, COMMISSIONERS, AND EXECUTIVE DIRECTOR METRUCK. WE
[00:52:30] ARE HERE TO PRESENT A STAFF BRIEFING ON RECREATIONAL
[00:52:33] BOATING BUSINESS ON THE RECREATIONAL BOATING BUSINESS
[00:52:37] PORTFOLIO WHICH WILL INCLUDE A PROFILE OF THE RECREATIONAL
[00:52:41] BOATING PRODUCTS, PROGRAMS, AND THE STRATEGIC MARITIME DIVISION
[00:52:46] MANAGEMENT PRIORITIES AND PRINCIPLES AS THEY APPLY TO
[00:52:49] THIS LINE OF BUSINESS. I WOULD LIKE TO INTRODUCE OUR SENIOR
[00:52:54] MANAGER FOR RECREATIONAL BOATING, JOE WOODS,
[00:52:58] WHO WILL GUIDE YOU THROUGH THE PRESENTATION. JOE JOINED
[00:53:04] THE OPERATIONS AND SECURITY DEPARTMENT EIGHT MONTHS AGO
[00:53:07] AFTER SPENDING THE PAST 22 YEARS IN AVIATION OPERATIONS.
[00:53:13] SINCE TAKING THE POST LAST
[00:53:15] NOVEMBER SHE'S EXHIBITED HER LEADERSHIP ACUMEN
[00:53:18] BY MANAGING ONE BIG EVENT AFTER ANOTHER FROM A MAJOR YACHT FIRE
[00:53:23] TO ENVIRONMENTAL HAZARDS TO OVERSEEING CAPITAL DEVELOPMENTS
[00:53:27] AT LOCATIONS ALL LEADING UP TO THE CURRENT HEALTH CRISIS. JO
[00:53:33] STARTED AS AN INTERN AT SEA-TAC AIRPORT AND HAS SINCE PROMOTED
[00:53:36] HERSELF TO VARIOUS LEADERSHIP POSITIONS. SHE EVENTUALLY

[00:53:41] PROMOTED HERSELF TO [INAUDIBLE] OPERATION SUPERVISOR AND ON TO
[00:53:44] BECOME AN AIRPORT DUTY MANAGER. AFTER SOME YEARS IN THAT
[00:53:48] CAPACITY SHE BECAME AN AIRPORT OPERATIONS MANAGER FOR A
[00:53:53] LANDSLIDE AND LOAD DOCK AT SEA-TAC AIRPORT. AMONG A LIST
[00:53:57] OF LEADERSHIP RESPONSIBILITIES IN THAT CAPACITY, SHE MANAGED
[00:54:00] THE EMPLOYEE BUS SERVICE WHICH PROVIDED TRANSPORTATION FOR
[00:54:04] OVER TWO POINT TWO MILLION RIDERS PER YEAR. JO'S CUSTOMER
[00:54:08] SERVICE SKILLS, OPERATIONAL LEADERSHIP WHICH INCLUDES
[00:54:12] INCIDENT COMMAND MANAGEMENT, AND HER COMMITMENT TO CONTINUOUS
[00:54:15] PROCESS IMPROVEMENT HAVE PREPARED HER FOR THE CURRENT
[00:54:19] LEADERSHIP CHALLENGES SHE IS FACING AS A SENIOR MANAGER OF
[00:54:22] RECREATIONAL BOATING AND OUR MARITIME OPERATIONS AND
[00:54:25] SECURITY DEPARTMENT. AND WITH THAT I WOULD LIKE TO NOW
[00:54:30] PRESENT JO WOODS.
[00:54:36] THANK YOU KENNY. IT'S AN HONOR TO CONTINUE DEVELOPING MYSELF
[00:54:39] AT THE PORT OF SEATTLE. LAUREN, CAN YOU PLEASE ADVANCE TO SLIDE
[00:54:43] THREE?
[00:54:52] GOOD AFTERNOON COMMISSIONERS AND EXECUTIVE DIRECTOR METRUCK.
[00:54:56] TODAY I WILL PROVIDE AN OVERVIEW OF THE RECREATIONAL
[00:55:00] BOATING PORTFOLIO AND BRING FOCUS TO THE PRINCIPLES THAT
[00:55:03] DRIVE OUR OPERATION'S FINANCIAL STABILITY, ENVIRONMENTAL
[00:55:07] SUSTAINABILITY, PUBLIC ACCESS TO THE WATER, AND DIVERSITY AND
[00:55:11] INCLUSION. IN A NORMAL YEAR THESE PRINCIPLES DIRECT OUR
[00:55:14] POLICIES, PROCEDURES, AND CUSTOMER SERVICE OBJECTIVES.
[00:55:18] HOWEVER, 2020 HAS BEEN ANYTHING BUT NORMAL THE RECREATIONAL
[00:55:23] BOATING TEAM IS RESPONDING TO THE COVID-19 PANDEMIC IN
[00:55:26] SEVERAL UNIQUE WAYS THAT MUST BE DISCUSSED TO HIGHLIGHT THE
[00:55:29] DIVERSITY OF BUSINESS AT THE PORT OF SEATTLE.
[00:55:33] NEXT SLIDE, PLEASE.
[00:55:36] SOME OF OUR IMMEDIATE RESPONSES INCLUDED CLOSING THE
[00:55:40] ON-SITE OFFICES AT SHILSHOLE BAY AND BELLE HARBOR TO
[00:55:44] WALK IN VISITORS, REDUCING THE NUMBER OF IN-OFFICE STAFF BY
[00:55:48] 50% THROUGH TELEWORKING, COMPLETION OF A DEEP CLEAN FOR
[00:55:52] OFFICES AND THE PUBLIC RESTROOMS AT SHILSHOLE BAY,
[00:55:54] DEVELOPMENT OF THE MOORAGE DEFERRAL PLAN, WHICH REQUIRED
[00:55:58] COLLABORATION WITH OTHER PORT OF SEATTLE DEPARTMENTS. WE ARE
[00:56:01] ACTIVELY WORKING WITH 34 CUSTOMERS TO PROVIDE MOORAGE
[00:56:04] UTILITIES DEFERRAL FOR THE MONTHS OF APRIL, MAY, AND
[00:56:08] JUNE. NEXT SLIDE, PLEASE.
[00:56:15] CONTINUING THAT COLLABORATION EFFORT, WE HAVE ONGOING
[00:56:18] COMMUNICATION WITH THE SHILSHOLE BAY EMERGENCY
[00:56:21] PREPAREDNESS GROUP CALLED SHILSHOLE PREPARES. WE HAVE
[00:56:24] TRANSITIONED TO VIRTUAL DOT CAPTAIN'S MEETINGS, WHICH
[00:56:27] AFFORDED US THE OPPORTUNITY TO INCLUDE MORE MEMBERS OF OUR
[00:56:30] LIVE ABOARD COMMUNITY THAN WHEN WE USED TO MEET IN PERSON. AND
[00:56:34] THROUGH IT ALL, OUR FRONTLINE ESSENTIAL WORKERS PLAY A MAJOR
[00:56:37] ROLE IN THE SUCCESS OF OUR RESPONSE. THANK YOU TO THE
[00:56:41] ENTIRE REC BOATING TEAM. NEXT SLIDE, PLEASE.
[00:56:48] OUR STEPS AFTER THE INITIAL RESPONSE AND IN KEEPING UP WITH
[00:56:52] CHANGING MANDATES WERE TO PLACE VARIOUS TEMPORARY
[00:56:54] RESTRICTIONS AT SHILSHOLE BAY MARINA. THIS INCLUDED
[00:56:58] PARTIAL ACCESS TO THE PARKING LOT, TRANSITIONING THE PLAZA
[00:57:01] AREA TO A WALKING THOROUGHFARE, RESTRICTING ALL ACCESS TO
[00:57:05] PICNIC TABLES AND BENCHES, AND CLOSING THE PUBLIC RESTROOM AT
[00:57:09] THE A1 BUILDING. A VERY SPECIAL THANK YOU TO MARINE MAINTENANCE
[00:57:12] FOR INSTALLING THE PLEXIGLASS BARRIERS AND HAND SANITIZERS
[00:57:16] WHICH ARE NOW LOCATED AT EACH DOCK. NEXT SLIDE PLEASE.
[00:57:24] AS WE'VE EVOLVED IN OUR RESPONSE, SO HAS OUR SIGNAGE. WE
[00:57:28] ENGAGE IN CONTINUED EFFORTS TO PROMOTE HEALTH AND SAFETY AT
[00:57:31] OUR FACILITIES AND OUR OPERATIONS CONTINUE TO COMPLY
[00:57:35] AND FOLLOW THE GUIDANCE OF OUR FEDERAL AND STATE PUBLIC HEALTH
[00:57:38] OFFICIALS. THANK YOU MARKETING AND MARINE MAINTENANCE FOR
[00:57:41] DESIGNING AND INSTALLING THE NEW SIGNAGE. NEXT SLIDE, PLEASE.

[00:57:52] OUR COVID-19 RESPONSE IS TAKEN MUCH OF OUR ATTENTION
[00:57:55] THIS YEAR, OUR MARINAS REMAIN A VITAL PART OF THE COMMUNITY.
[00:57:59] PORT OF SEATTLE MARINAS ARE PUGET SOUND FAVORITES AND ARE
[00:58:02] WIDELY REGARDED AS THE PREMIER BOATING AND SAILING CENTERS OF
[00:58:06] THE NORTHWEST. ALONG WITH SHILSHOLE BAY THE PORT ALSO OWNS
[00:58:10] SALMON BAY, BELLE HARBOR, AND HARBOR ISLAND MARINAS.
[00:58:14] NEXT SLIDE, PLEASE.
[00:58:20] THE PORT OF SEATTLE OPENED ITS FIRST RECREATIONAL FACILITY
[00:58:23] SHILSHOLE BAY MARINA IN 1962. SHILSHOLE BAY MARINA PROVIDES
[00:58:28] RECREATIONAL BOATING COMMUNITY WITH LARGE FACILITIES LOCATED
[00:58:31] IN BALLARD, THE COMMERCIAL FISHING AND RECREATIONAL
[00:58:34] BOATING HUB OF THE NORTHWEST. WE OFFER MONTHLY AND GUEST
[00:58:38] MOORAGE. THE MARINA IS THE SECOND LARGEST IN THE STATE OF
[00:58:41] WASHINGTON ACCOMMODATING OVER 1400 RECREATIONAL VESSELS. IT
[00:58:46] IS HOME TO WASHINGTON'S LARGEST LIVE ABOARD COMMUNITY WITH
[00:58:49] CAPACITY FOR 350 LIVE ABOARD VESSELS THAT ARE REPRESENTED BY
[00:58:54] OVER 600 RESIDENTS. SHILSHOLE BAY MARINA IS ALSO A VIBRANT AND
[00:58:58] ACTIVE PART OF OUR COMMUNITY. NEXT SLIDE, PLEASE. NOW HARBOR
[00:59:06] MARINA OPENED JUNE 11TH 1996. IT IS THE ONLY MARINA IN
[00:59:12] DOWNTOWN SEATTLE AND IS OPEN TO GUESTS YEAR-ROUND TO TIE UP AND
[00:59:16] EXPLORE THE UNIQUE ENVIRONMENT OF DOWNTOWN SHOPS,
[00:59:19] RESTAURANTS, AND THE CHANGING LANDSCAPE OF THE CITY. WHILE
[00:59:23] MUCH SMALLER THAN SHILSHOLE WITH A TOTAL OF 40 SLIPS, BELLE
[00:59:26] HARBOR DOES OFFER MONTHLY MOORAGE FROM SEPTEMBER TO MAY
[00:59:30] IN THE OFF PEAK BOATING SEASON PER AN AGREEMENT WITH THE CITY
[00:59:33] OF SEATTLE. NEXT SLIDE, PLEASE.
[00:59:39] THE PORT OF SEATTLE TOOK OWNERSHIP OF HARBOR ISLAND
[00:59:42] MARINA IN THE LATE 1990S AND THE RECREATIONAL BOATING LINE
[00:59:46] OF BUSINESS TOOK OVER MANAGEMENT IN 2004. LOCATED
[00:59:50] SOUTH OF DOWNTOWN SEATTLE ON THE DUWAMISH RIVER,
[00:59:53] HARBOR ISLAND MARINA IS CONVENIENT TO WEST SEATTLE
[00:59:56] NEIGHBORHOODS AND THE SOUTH SOUND. EIGHTY MORTGAGE SLIPS ARE
[01:00:00] AVAILABLE FOR BOTH RECREATIONAL AND COMMERCIAL USE. DOCKING AT
[01:00:04] HARBOR ISLAND IS USED PRIMARILY BY GLOBAL DIVING AND SALVAGE,
[01:00:08] THE LARGEST DIVING CONTRACTOR ON THE WEST COAST, AND WESTERN
[01:00:11] TOWBOAT A LOCAL COMPANY THAT HAS BEEN IN BUSINESS FOR THE
[01:00:14] PAST 75 YEARS. NEXT SLIDE, PLEASE.
[01:00:21] THE PORT OF SEATTLE'S NEWEST
[01:00:24] ACQUISITION, SALMON BAY MARINA, IS MANAGED BY THE COMMERCIAL
[01:00:28] FISHING BUSINESS UNIT BECAUSE OF ITS ADJACENCY TO FISHERMAN'S
[01:00:31] TERMINAL. JUST INSIDE THE BALLARD LOCKS AND NEXT TO THE
[01:00:34] VALOR BRIDGE, IT OFFERS BOTH COVERED AND UNCOVERED
[01:00:37] FRESHWATER MONTHLY MORTGAGE AND CURRENTLY ACCOMMODATES AROUND
[01:00:41] 170 MOORAGE CUSTOMERS. NEXT SLIDE PLEASE.
[01:00:48] OUR FOUR FACILITIES ARE OPERATED UNDER THESE BUSINESS STRATEGIES:
[01:00:53] CUSTOMER SERVICE AND INDUSTRY ENGAGEMENT. WE RETAIN CUSTOMERS
[01:00:57] BY LISTENING, BEING RESPONSIVE AND RESPECTFUL WHILE PROVIDING
[01:01:01] EXCELLENT CUSTOMER SERVICE. FINANCIAL MANAGEMENT. WE ASSURE
[01:01:05] FINANCIAL SUSTAINABILITY AND OUR GOAL TO OBTAIN A POSITIVE
[01:01:08] NET OPERATING INCOME AFTER DEPRECIATION BY 2024. CAPITAL
[01:01:14] DEVELOPMENT. WE DEVELOP, MAINTAIN, AND OPERATE MARITIME
[01:01:18] FACILITIES TO ENSURE LONG-TERM VIABILITY AND EFFICIENCY TO
[01:01:22] MEET [INAUDIBLE].
[01:01:24] ENVIRONMENTAL SUSTAINABILITY. WE SUPPORT THE GOAL TO BE THE
[01:01:28] GREENEST PORT IN NORTH AMERICA BY INTEGRATING ENVIRONMENTAL
[01:01:32] SUSTAINABILITY INTO PORT BUSINESS, PROCESSES, AND
[01:01:35] INVESTMENT DECISIONS. WORKFORCE DEVELOPMENT. WE CONTINUE TO
[01:01:40] DEVELOP AN ORGANIZATIONAL CULTURE THAT PROMOTES DIVERSITY,
[01:01:44] EQUITY, AND INCLUSION. NEXT SLIDE, PLEASE.
[01:01:53] PORT MARINA'S PRIMARILY SUPPORT EVENTS RELATED TO YOUTH AND
[01:01:56] MARITIME, BOATING RENDEVOUZ, SAILING REGALIAS, AND THE
[01:02:00] LOCAL SEAFOOD INDUSTRY. WE ACCOMMODATE AND HOST THE
[01:02:04] ADVENTUROUS YOUTH PROGRAM, THE CORINTHIAN YACHT CLUB YOUTH

[01:02:08] SAILING PROGRAM, AND WE HAVE STRONG PARTNERSHIPS WITH OUR
[01:02:11] TRIBAL CUSTOMERS. NEXT SLIDE, PLEASE.
[01:02:18] WE HAVE A VARIETY OF CAPITAL AND SMALL CAPITAL PROJECTS AND
[01:02:21] PROCESS ACROSS OUR MARINAS. THESE PROJECTS ARE FOCUSED ON
[01:02:25] DEVELOPING AND MAINTAINING OUR ASSETS AND ENHANCING OUR ROLE
[01:02:29] IN ENVIRONMENTAL SUSTAINABILITY AT SHILSHOLE BAY, WE ARE
[01:02:33] BUILDING NEW CUSTOMER SERVICE FACILITIES AND RECENTLY
[01:02:36] INSTALLED ELECTRIC VEHICLE CHARGING STATIONS. WE ARE
[01:02:39] WORKING ON THE COMMERCIAL DOCK REDEVELOPMENT AT HARBOUR ISLAND
[01:02:43] AND UPGRADING THE STANDALONE RESTROOM FACILITY AT BELLE
[01:02:46] HARBOR. THE STRUCTURAL MILES WILL BE ENHANCED WITH CATHODIC
[01:02:50] PROTECTION WRAPS TO CONTROL CORROSION. NEXT SLIDE, PLEASE.
[01:02:58] THE CURRENT CUSTOMER SERVICE FACILITIES IN USE AT SHILSHOLE
[01:03:01] WERE CONSTRUCTED IN 1962. THEY ARE OUTDATED AND DO NOT
[01:03:06] MEET THE PORT OF SEATTLE'S STANDARD OF OWNERSHIP OR MEET
[01:03:10] UPDATED CUSTOMER NEEDS AND SATISFACTION. THE FIRST
[01:03:13] BUILDING IS SCHEDULED TO OPEN ON AUGUST 18TH. THIS IS AN 800
[01:03:17] SQUARE FOOT STRUCTURE WITH GENDER NEUTRAL RESTROOMS AND
[01:03:21] SEPARATE SHOWER ROOMS. THE TWO LARGER BUILDINGS WILL OPEN
[01:03:24] EARLY NEXT MONTH. THEY ARE EACH 2,700 SQUARE FEET WITH
[01:03:29] RESTROOMS, SHOWERS, AND LAUNDRY ROOMS INCLUDING FAMILY UNITS
[01:03:34] AND ARE ALL ADA ACCESSIBLE. THE LAUNDRY IS NEARLY DOUBLE OF
[01:03:38] WHAT'S CURRENTLY ON SITE. SOLAR PANELS
[01:03:42] WILL GENERATE 70% OF THE HEAT NEEDED FOR EACH BUILDING AND
[01:03:46] RADIANT HEAT PUMPS WILL KEEP THE SPACES DRY AND WARM/ THE NEW
[01:03:50] FACILITIES PROMOTE AND ALLOW FOR SOCIAL DISTANCING SPACING.
[01:03:55] NEXT SLIDE, PLEASE.
[01:04:00] INCLUDED IN THE CUSTOMER SERVICE FACILITY UPGRADES ARE
[01:04:03] THE MUCH-NEEDED PARKING LOT IMPROVEMENTS. THE REPAVING AND
[01:04:07] RESTRIPIPING INCLUDE VISUAL MARKINGS FOR PERMIT AND NON
[01:04:11] PERMIT PARKING. SCHEDULED COMPLETION IS EARLY OCTOBER OF
[01:04:14] THIS YEAR. NEXT SLIDE, PLEASE.
[01:04:21] THERE ARE VARIOUS PROJECTS AND PROGRAMS THAT WORK TOWARDS THE
[01:04:24] PORT OF SEATTLE GOAL OF BECOMING THE GREENEST PORT IN
[01:04:27] NORTH AMERICA. ALL OF THE MARINAS IN THE RECREATIONAL
[01:04:30] BOATING PORTFOLIO ARE GREEN MARINE [INAUDIBLE] CERTIFIED.
[01:04:35] WE ARE ALSO RECOGNIZED AS KING COUNTY ENVIRO-STARS. WE
[01:04:39] MAINTAIN OUR CERTIFICATIONS ANNUALLY, BUT WE ALSO KEEP OUR
[01:04:42] INTEREST IN ENVIRONMENTAL INNOVATION. THIS PICTURE
[01:04:45] DEPICTS THE RECENTLY INSTALLED [INAUDIBLE] AT SHILSHOLE. THE
[01:04:49] SEABIN PROJECT IS A FLOATING GARBAGE BIN THAT COLLECTS
[01:04:52] DEBRIS FROM THE SEA. IT'S DESIGNED TO BE IN PORTS, MARINAS
[01:04:55] AND YACHT CLUBS. GARBAGE AND DEBRIS ARE PULLED INTO THE
[01:04:59] BIN BY A PUMP WHICH CREATES A FLOW OF WATER. THE DEBRIS IS
[01:05:03] THEN COLLECTED IN A CATCH BAG AND EMPTIED BY STAFF.
[01:05:07] NEXT SLIDE, PLEASE.
[01:05:12] ADDITIONAL ENVIRONMENTAL HIGHLIGHTS ARE THE LEVEL 2
[01:05:15] ELECTRIC VEHICLE CHARGING STATIONS. THE PORT OF SEATTLE
[01:05:18] MARINE MAINTENANCE DEPARTMENT INSTALLED 8 EV
[01:05:21] STALLS IN FEBRUARY OF THIS YEAR AND WE HAVE THE POWER CAPACITY
[01:05:26] TO INCREASE THE NUMBER OF STATIONS TO 20. CUSTOMERS CAN
[01:05:29] CHARGE THEIR VEHICLES BY USE OF AN APP ON THEIR SMARTPHONES OR
[01:05:33] BY CALLING A 1-800 NUMBER FOR 24-HOUR ASSISTANCE.
[01:05:37] NEXT SLIDE, PLEASE.
[01:05:42] THIS PICTURE WAS TAKEN ON JULY 3RD, 2019 OF STUDENTS FROM THE
[01:05:47] UPWARD BOUND YOUTH PROGRAM. LAST SUMMER THESE STUDENTS SPENT THE
[01:05:51] DAY AT SHILSHOLE MARINA LEARNING ABOUT CAREERS IN
[01:05:54] MARITIME AND MARINE SCIENCE WHILE SAILING ABOARD THE
[01:05:57] HISTORIC 100-FOOT SAILING VESSEL, THE ADVENTUROUS.
[01:06:02] IN EARLIER COMMISSION MEETINGS, WE LEARNED ABOUT THE PORT OF
[01:06:04] SEATTLE'S COMMITMENT TO WORKFORCE DEVELOPMENT AND I'M
[01:06:07] PROUD TO SAY THAT WE ARE AN ACTIVE PARTICIPANT IN
[01:06:10] REPRESENTING THAT ACTION PLAN. PRIOR TO THE HEALTH AND SAFETY

[01:06:14] EMERGENCY, WE WERE WORKING WITH HUMAN RESOURCES TO CREATE A
[01:06:18] PROGRAM TO INTRODUCE HIGH SCHOOL INTERNS TO THE VARIOUS
[01:06:21] CAREER OPPORTUNITIES IN MARITIME OPERATIONS. WE WILL
[01:06:24] SOON RETURN TO THE NEXT STEPS IN EXECUTING THAT PLAN.
[01:06:29] NEXT SLIDE, PLEASE.
[01:06:33] THIS SLIDE PROVIDES INFORMATION FOR THE 2019 FINANCIAL
[01:06:38] PERFORMANCE. IN THE FIRST COLUMN YOU WILL SEE THE SHILSHOLE
[01:06:41] BAY MARINA IS OUR LARGEST ASSET AND RETURNS A POSITIVE
[01:06:45] NET OPERATING INCOME. HOWEVER, AS REFERENCED EARLIER, OUR GOAL
[01:06:50] IS TO RETURN ON POSITIVE NLI AMONG THE THREE RECREATIONAL
[01:06:54] BOATING ASSETS BY 2024. NEXT SLIDE. PLEASE.
[01:07:06] FIRST SEATTLE RESOLUTION 3220 DATED NOVEMBER TWELFTH NINETEEN
[01:07:11] NINETY SIX STATES THAT THE ACTIVITY OF SHILSHOLE BAY
[01:07:15] MARINA WILL BE ACCOMPLISHED WITH THE CLEAR INTENT OF
[01:07:18] CONDUCTING THE AFFAIRS OF THE MARINA IN A BUSINESS FOCUSED
[01:07:21] MANNER BY SETTING RATES AT MARKET AND RUNNING THE
[01:07:24] OPERATION AS EFFICIENTLY AND COST-EFFECTIVELY AS POSSIBLE.
[01:07:29] EACH YEAR WE PERFORM GREAT STUDIES TO DETERMINE WHAT OUR
[01:07:32] FEES SHOULD BE BY ANALYZING OUR LOCAL COMPETITORS. THE FIRST TABLE ON THIS
[01:07:37] SLIDE SHOWS THE MARKET THAT WAS ANALYZED. THE SECOND TABLE SHOWS
[01:07:41] THE 40 FOOT SLIP COMPARISON. THE RESULTS OF THE 2019
[01:07:45] STUDY LED TO A RECOMMENDED FIVE PERCENT INCREASE FOR 2020.
[01:07:50] STAFF WILL NOT RECOMMEND A RATE INCREASE FOR 2021 DUE TO THE
[01:07:55] CURRENT MARKET POSITIONING AND THE FINANCIAL IMPLICATIONS OF
[01:07:58] THE COVID-19 IMPACTS.
[01:08:01] NEXT SLIDE PLEASE.
[01:08:04] OKAY.
[01:08:07] THIS WAS A BRIEF OVERVIEW OF THE RECREATIONAL BOATING LINE
[01:08:09] OF BUSINESS. THANK YOU FOR YOUR TIME AND I'M HAPPY TO ANSWER
[01:08:13] ANY QUESTIONS YOU MAY HAVE.
[01:08:16] JO, THANK YOU VERY MUCH FOR THAT VERY
[01:08:20] INFORMATIVE PRESENTATION. I THINK WE'LL NOW HAVE
[01:08:24] QUESTIONS FROM COMMISSIONERS BEGINNING WITH THE ROLL CALL
[01:08:29] ON COMMISSIONER BOWMAN.
[01:08:40] COMMISSIONER BOWMAN FOR COMMENTS.
[01:08:44] WE CAN GO BACK TO COMMISSIONER BOWMAN. SHE MAY BE HAVING SOME
[01:08:47] TECHNICAL DIFFICULTIES. I THINK SHE'S CALLING IN.
[01:08:50] CERTAINLY. MOVING TO COMMISSIONER CALKINS.
[01:08:57] THANK YOU. GREAT PRESENTATION. I ACTUALLY DON'T HAVE ANY
[01:08:59] QUESTIONS OR COMMENTS AT THIS TIME. THANK YOU.
[01:09:02] COMMISSIONER CHO FOR YOUR COMMENTS AND QUESTIONS.
[01:09:07] YEAH REAL QUICK. FIRST, THANK YOU SO MUCH FOR THAT GREAT
[01:09:10] PRESENTATION, JO. AWESOME.
[01:09:13] MY QUESTION IS WITH REGARDS TO HOW THE BOAT INDUSTRY IS
[01:09:17] REACTING TO COVID. I KNOW THAT WE'RE IN THE MIDDLE OF SUMMER
[01:09:20] SO LOTS OF PEOPLE GOING ON THE WATER, BUT I'M WONDERING IF YOU
[01:09:22] EXPECT ANY MORE VACANCIES IN A MARINAS, YOU KNOW, PEOPLE
[01:09:28] WINDING DOWN THEIR OCCUPANCY OF OUR MARINAS AS A RESULT OF COVID
[01:09:31] OR ANY OTHER MOVEMENTS IN THE MARKET THAT YOU EXPECT TO SEE.
[01:09:36] COMMISSIONER CHO, WHAT I CAN TELL YOU IS THAT SINCE
[01:09:39] BOATING REOPENED WE HAVE SEEN AN UPTICK IN OUR ACTIVITY AT
[01:09:45] SHILSHOLE BAY AND BELLE HARBOR FOR OUR GUEST MOORAGE,
[01:09:49] AND OUR MONTHLY MOORAGE CUSTOMERS ARE COMING OUT TO
[01:09:52] THEIR BOATS AS WELL. I HAD A CONVERSATION WITH PETER
[01:09:57] STRAIGHTEN, THE PRESIDENT OF NOTA YESTERDAY TALKING ABOUT
[01:10:02] THESE VERY ISSUES. RIGHT NOW WE DON'T REALLY KNOW WHAT THE
[01:10:07] FUTURE OF BOATING WILL BE LIKE WITH THE EFFECTS OF COVID, BUT
[01:10:11] AT THIS TIME WE ARE SEEING AN UPTICK.
[01:10:16] GREAT. THANKS.
[01:10:18] GOING BACK VERY QUICKLY TO COMMISSIONER BOWMAN. GREAT.
[01:10:22] THANK YOU. UM JO, CONGRATULATIONS ON THE NEW JOB
[01:10:26] AND GLAD TO HAVE YOU OVER HERE ON THE BOATING SIDE OF THE
[01:10:30] HOUSE. MY QUESTIONS ARE REALLY MORE ABOUT THE FINANCIALS AND

[01:10:33] STAFF CAN GET BACK TO ME. SPECIFICALLY TO SLIDE NUMBER
[01:10:37] 21. I'D REALLY LIKE TO UNDERSTAND, AND I'M ASSUMING MY
[01:10:42] COLLEAGUES WOULD AS WELL, THE FINANCIALS FOR ALL OF THESE
[01:10:45] MARINAS OVER A MORE EXTENDED PERIOD OF TIME, I'M JUST GOING
[01:10:49] TO SAY THE LAST 10 YEARS. IT'S HARD WHEN I'M ONLY SEEING
[01:10:54] THE 2019 FINANCIAL PERFORMANCE, BUT I WOULD IMAGINE WE WOULD
[01:10:58] ALL BE CONCERNED THAT OUR REVENUE, FOR EXAMPLE FOR BELLE
[01:11:03] HARBOR MARINA, IS SLIGHTLY UNDER 500,000 AND YET OUR TOTAL
[01:11:08] EXPENSES ARE ALMOST THREE TIMES THAT,
[01:11:12] SIMILAR TO HARBOR ISLANDS. NOT QUITE THE SAME.
[01:11:16] HARBOR ISLAND, 460 THOUSAND DOLLARS IN REVENUE AND
[01:11:21] YET OUR EXPENSES ARE 627,000. SO I'D LIKE TO UNDERSTAND OVER
[01:11:26] WHAT PERIOD OF TIME OUR EXPENSIVES HAVE BEEN GREATER
[01:11:29] THAN OUR REVENUE. I APPRECIATE VERY MUCH, JO, YOUR COMMENTS
[01:11:34] ABOUT BRINGING THEM ALL, I THINK YOU SAID REVENUE-NEUTRAL
[01:11:39] WAS THE TERM THAT YOU USED, BY 2024, BUT I'D REALLY LIKE TO
[01:11:43] HAVE MORE DETAILED INFORMATION ABOUT WHY THE EXPENSES ARE SO
[01:11:46] HIGH AND THEN WHAT SPECIFIC ACTIONS WE'RE TAKING TO BRING
[01:11:50] THOSE THAT ARE UNDERPERFORMING, SPECIFICALLY BELLE HARBOR AND
[01:11:53] HARBOR ISLAND,
[01:11:55] UP TO AT LEAST A BREAK EVEN. AND THEN THE SECOND QUESTION ABOUT
[01:11:59] HARBOR ISLAND IN PARTICULAR.
[01:12:02] I'M CURIOUS WHAT WE'RE GOING TO BE DOING ABOUT THE WEST SEATTLE
[01:12:06] BRIDGE CLOSURES AND HOW STAFF ANTICIPATES THAT AFFECTING
[01:12:11] OCCUPANCY AT THE MARINA. MY UNDERSTANDING IS THAT THIS IS A
[01:12:16] MONTHLY MOORAGE, PLEASE CORRECT ME IF I'M WRONG. I DON'T
[01:12:19] KNOW HOW MANY LONG-TERM MOORAGE CONTRACTS WE HAVE.
[01:12:21] THIS IS A MONTHLY MORTGAGE. YES, GREAT. SO, YOU KNOW, AGAIN
[01:12:27] I'D ASK AS WE'RE GOING THROUGH THE 2021 BUDGET AND THINKING
[01:12:33] AHEAD THAT WE'RE REALLY CONSIDERING WHAT ACCESS TO THAT
[01:12:36] MARINA IS GOING TO LOOK LIKE AND WHAT IMPACT THAT'S GOING TO
[01:12:41] HAVE ON ITS FINANCES. AND THEN LAST
[01:12:46] AGAIN, I'D LIKE TO GET
[01:12:48] SOME REALLY DETAILED INFORMATION ABOUT THE OPERATING
[01:12:51] EXPENSES FOR EACH OF THE MARINAS.
[01:12:55] SO COMMISSIONER. THIS IS STEPHANIE JONES STEBBINS. THANK
[01:12:58] YOU SO MUCH FOR THOSE COMMENTS. AND I ALSO WANT TO THANK YOU
[01:13:02] FOR REQUESTING THIS PRESENTATION. IT REALLY GIVES
[01:13:05] US AN OPPORTUNITY TO SHARE, ESPECIALLY WITH THE NEWER
[01:13:08] COMMISSIONERS, SOME INFORMATION ABOUT THIS LINE OF BUSINESS
[01:13:11] THAT PERHAPS DOESN'T GET AS MUCH ATTENTION FROM THE
[01:13:14] COMMISSION AND CERTAINLY AN OPPORTUNITY FOR JO TO
[01:13:22] SHARE HER VISION STARTING AS A SENIOR MANAGER OF THIS LINE
[01:13:26] OF BUSINESS.
[01:13:30] IN RESPONSE TO THE QUESTION ABOUT EXPENSES,
[01:13:33] I WANT TO ADDRESS A COUPLE THINGS.
[01:13:37] SO
[01:13:39] ONE, REMEMBER THAT OUR EXPENSES INCLUDE NOT ONLY OUR DIRECT
[01:13:43] EXPENSES. SO THE FOLKS LIKE JO AND HER STAFF WHO ARE OUT AT
[01:13:48] THE MARINAS WORKING. IT ALSO INCLUDES, THOSE EXPENSE NUMBERS,
[01:13:50] ALL OF OUR CORPORATE COSTS, OUR ALLOCATED SHARE OF THOSE
[01:13:55] THINGS.
[01:13:57] ABOUT A THIRD OF THE COST THAT YOU SEE THERE ARE,
[01:14:03] YOU KNOW, A THIRD IS A DIRECT EXPENSES, A THIRD AS THE
[01:14:06] ALLOCATED EXPENSES, AND THE THIRD IS A OUR DEPRECIATION
[01:14:09] COST. SO THERE ARE. IT'S NOT JUST THE COST AT THE FACILITY.
[01:14:16] IT'S ALSO WHAT WE DO HERE AT CORPORATE AND PART OF
[01:14:20] WHAT IT COST TO HAVE A FIVE-MEMBER COMMISSION, WHAT IT
[01:14:23] COSTS TO HAVE AN ACCOUNTING DEPARTMENT, AN HR DEPARTMENT.
[01:14:28] SO ALL OF THAT IS PART OF THAT. WITH RESPECT SPECIFICALLY TO
[01:14:34] AND OVER THE LAST, I WILL SAY I'VE BEEN IN THIS JOB TWO
[01:14:37] YEARS, THERE HAS BEEN A SPECIFIC FOCUS ON
[01:14:41] KEEPING THE EXPENSE GROWTH

[01:14:45] LOWER THAN REVENUE GROWTH AT THE SPECIFIC FACILITIES. AND
[01:14:49] ALSO JUST TO ADD ONE MORE THING THAT BELLE HARBOR MARINA
[01:14:55] IN PARTICULAR, THAT MARINA WAS PART OF THE DEVELOPMENT
[01:15:02] CONDITIONS AT PIER 66. WE CANNOT HAVE MONTH-TO-MONTH
[01:15:06] AGREEMENTS FOR AT LEAST PART OF THE YEAR. IT HAS TO BE GUEST
[01:15:10] MOORAGE. WITH SOME OF THE SPECIFIC CONSTRAINTS ON THERE
[01:15:15] AND IN ADDITION TO THE DEPRECIATION, THAT'S PART
[01:15:19] OF THE REASONS WHY THE REVENUES ARE LOWER THAN EXPENSES. BUT WE
[01:15:23] ARE HAPPY TO PROVIDE A MORE DETAILED ACCOUNTING OF THOSE
[01:15:26] OVER TIME. BUT THANKS FOR THOSE REALLY EXCELLENT QUESTIONS.
[01:15:29] THANKS STEPHANIE. I REALLY APPRECIATE THAT AND I AM VERY
[01:15:31] WELL AWARE THAT THIS CENTRAL SERVICES LINE ITEM
[01:15:35] IS A HEAVY BURDEN ON ALL OF THE DEPARTMENTS. AND AGAIN, I JUST
[01:15:38] WANTED TO, AS YOU PROVIDE MORE DETAIL, I THINK IT IS BOTH
[01:15:42] FOR SOME OF MY FELLOW COLLEAGUES THAT
[01:15:46] HAVEN'T HAD AS MUCH UNDERSTANDING YET OF HOW WE DO
[01:15:49] OUR BUDGETS AND HOW THOSE COSTS ARE ALLOCATED AND ALSO FOR THE
[01:15:52] PUBLIC. BECAUSE IF YOU JUST SEE THIS SLIDE, IT'S, YOU KNOW, IT
[01:15:56] CAN APPEAR PRETTY DISTURBING. EVEN WITH TAKING OUT A \$390,000
[01:16:02] CENTRAL SERVICES ALLOCATION ON BELLE HARBOR, THAT'S STILL 910
[01:16:07] ROUGHLY THOUSAND DOLLARS IN EXPENSES WHICH AGAIN IS
[01:16:11] ALMOST DOUBLE THE REVENUE. SO I THINK WE JUST NEED TO TAKE A
[01:16:15] HARD LOOK AT ALL OF OUR LINES OF BUSINESS AND
[01:16:19] YOU KNOW, I THINK JUST HAVING MORE EXPOSURE TO IT
[01:16:22] AS YOU MENTIONED. I REALLY APPRECIATE THE STAFF BEING
[01:16:25] WILLING TO MAKE THIS PRESENTATION TODAY. WE DON'T
[01:16:29] TALK ABOUT THE RECREATIONAL BOATING VERY MUCH. JO'S EARLIER
[01:16:32] COMMENTS THAT WE HAVE SEEN AN UPTICK. I'M NOT
[01:16:36] SURPRISED, QUITE FRANKLY. AND SO AGAIN REALLY LOOKING FORWARD TO
[01:16:40] HER LEADERSHIP MOVING FORWARD. AND AS YOU SAID HER VISION OF
[01:16:44] HOW TO OPERATE THESE MARINAS ALONG WITH KENNY AND THE REST
[01:16:47] OF YOUR STAFF. I THINK AS WE'RE CONSIDERING THE
[01:16:51] 2021 BUDGET, YOU KNOW, WE REALLY NEED TO BE THINKING
[01:16:54] ABOUT WHERE ARE WE A FEW YEARS FROM NOW. NOT JUST IN 2021, BUT
[01:16:59] BUT LOOKING OUT AND WE'RE SEEING A PRETTY SUBSTANTIAL
[01:17:04] SHORTFALL FOR THE PORT OF SEATTLE EVEN OUTSIDE OF THE
[01:17:07] AIRPORT. AND SO AS WE'RE DOING THAT, I THINK AS I'VE SAID
[01:17:11] BEFORE, I HOPE WE'LL TAKE THE OPPORTUNITY TO LOOK AT OUR
[01:17:14] LINES OF BUSINESS, QUESTION OUR ASSUMPTIONS AND REALLY JUST
[01:17:18] LOOK AT PERHAPS NEW WAYS OF DOING BUSINESS. SO THANK YOU
[01:17:21] FOR CONSIDERING THOSE. OKAY, THANK YOU COMMISSIONER BOWMAN.
[01:17:26] CONTINUE WITH COMMISSIONER QUESTIONS AND COMMENTS. THANK
[01:17:30] YOU AND MOVING TO COMMISSIONER FELLEMAN.
[01:17:34] HI, THANKS SO MUCH, JO AND I REALLY APPRECIATED THE TOUR
[01:17:37] YESTERDAY AND SEEING ALL THE GREAT WORK THAT'S GOING ON DOWN
[01:17:40] AT A SHILSHOLE IN PARTICULAR AND THOSE NEW REST FACILITIES
[01:17:45] ARE EXTRAORDINARY AND THE
[01:17:48] SUSTAINABILITY FACTORS OF THEM WERE REALLY IMPRESSIVE. I LOOK
[01:17:52] FORWARD TO HAVING, YOU KNOW, A FIRST FLUSH PARTY HERE IN THE
[01:17:55] NOT-TOO-DISTANT FUTURE. I THINK IN TERMS OF
[01:18:00] THE ROLE OF THE PORT AS BEING A
[01:18:04] MARINA MANAGER OWNER
[01:18:09] I THINK IT'S REALLY IMPORTANT TO UNDERSTAND, I THINK IMPORTANT
[01:18:11] TO EMPHASIZE THE VALUE OF THE ROLE THAT WE PLAY TO ACCESSING
[01:18:17] THE WATER. JUST IN GENERAL, FOR THE BROADER PUBLIC TO BE ABLE
[01:18:21] TO HAVE THIS CONNECTION TO THIS, YOU KNOW, UNIQUE NATIONAL
[01:18:25] INTERNATIONAL ASSET WE CALL PUGET SOUND AND IT REALLY IS A
[01:18:31] BOATERS PARADISE IN A WAY
[01:18:35] IN COMPARISON TO MANY OTHER PLACES AROUND THE WORLD. IT'S
[01:18:37] REALLY A
[01:18:39] HUGE DRAW TO THE AREA AND HAVING SIGNIFICANT ECONOMIC
[01:18:43] SIGNIFICANCE BOTH IN TERMS OF THE BOATING COMMUNITY
[01:18:47] AS WELL AS FROM THE TOURISM IT DRAWS. AND YOU KNOW, AND IT

[01:18:51] SAID OFTEN THAT THE RECREATIONAL BOATING IS THE
[01:18:54] GATEWAY DRUG TO THE MARITIME INDUSTRY. AND SO AS YOU SO WELL
[01:18:59] NOTED, THE VARIOUS PROGRAMS THAT YOU ARE HOSTING THERE ARE
[01:19:04] VERY TARGETED TO GIVING KIDS EXPOSURE AND STUFF.
[01:19:09] MORE BROADLY YET, GETTING PEOPLE OUT ON THE
[01:19:11] WATER I SEE AS, YOU KNOW, A CRITICAL FIRST STEP BEFORE
[01:19:15] THEY CAN FIND THEIR INTEREST TO GETTING INTO A
[01:19:19] CLASSROOM. I THINK IT'S VERY IMPORTANT. I THINK THE
[01:19:23] POINT THAT YOU RAISED ABOUT THIS INFLUX OF BOATING
[01:19:26] ACTIVITY, ONE OF THE THINGS THAT I WAS ALWAYS SURPRISED
[01:19:30] WHEN SPEAKING TO STEPHANIE IN THE PAST ABOUT OUT LIKE A
[01:19:34] PROGRAM THAT EVERETT DOES AS A REVENUE GENERATOR IS THAT THEY
[01:19:38] SORT OF HOT BUNK THE SLIPS SO THAT WHEN PEOPLE GO
[01:19:43] OFF FOR THE MONTH OR SOMETHING FOR THE SUMMER, THEY CAN RENT
[01:19:46] THE SLIPS ON TOP OF THAT AND WHAT I UNDERSTOOD WAS THAT WE
[01:19:51] WEREN'T DOING THAT AT SHILSHOLE BECAUSE THERE WAS ALWAYS ROOM
[01:19:54] IN THE TRANSIENT MOORAGE
[01:19:57] SO THAT WE DIDN'T HAVE THAT NEED TO FILL UP ADDITIONAL
[01:20:01] SLIPS. YOU KNOW, ONE OF THE BENEFITS FOR THE PROGRAM IN
[01:20:05] EVERETT WAS THAT THE
[01:20:08] TENANT OF THAT SLIP WAS GETTING A PIECE OF THAT ACTION. SO
[01:20:12] THERE WAS SOME RENT REDUCTION ASSOCIATED WHILE THERE'S
[01:20:15] ADDITIONAL RENT REVENUE FOR
[01:20:18] THAT HUGE COMMISSION OFFICE EXPENSE WE MENTIONED. [LAUGHTER]
[01:20:21] FOR THE PORT ITSELF AND THERE'S ALSO THE BENEFITS OF
[01:20:26] THE TENANT. AND YOU KNOW, I THINK IT'S A TWO-FER BUT THERE
[01:20:31] WAS SOME ADDITIONAL
[01:20:33] CHALLENGES ASSOCIATED WITH MANAGING SOMETHING LIKE THAT. I
[01:20:36] WOULD LIKE TO SEE US EXPLORE THAT AS A GREATER OPPORTUNITY
[01:20:40] FOR NEW REVENUE AS WELL AS BENEFITS TO THE TENANTS.
[01:20:45] AND I DO REALLY APPRECIATE SEEING THOSE NEW LADDERS GOING
[01:20:48] IN. THEY WERE VERY INNOVATIVE.
[01:20:51] AND THEN I THINK ALSO THE EDUCATIONAL ASPECTS. IT WAS
[01:20:56] GREAT WE WERE DOING THE THING ON EDUCATING PUBLIC ABOUT
[01:20:58] BOATING AROUND THE KILLER WHALES.
[01:21:02] THIS BOATING SEASON HAS SEEN, UNFORTUNATELY,
[01:21:05] QUITE A FEW DEATHS ALREADY IN THE COMMUNITY. WE HAVE TO BE
[01:21:07] REALLY CONSCIOUS ABOUT BOATER SAFETY AND BOTH AROUND WILDLIFE
[01:21:12] AS WELL AS AROUND LIFE JACKETS AND THINGS LIKE THAT. SO I SEE
[01:21:15] THIS AS A PUBLIC SERVICE LIKE MUCH IN THE WAY WE DO
[01:21:20] THE FISHERMAN'S TERMINAL. IT NEEDS TO GET OBVIOUSLY MORE
[01:21:26] MORE PROFITABLE, SHALL WE SAY, ALTHOUGH WE DON'T DO PROFITS. I
[01:21:30] DO BELIEVE THAT IT HAS TO BE LOOKED AT AS MORE THAN JUST
[01:21:33] THE DOLLAR AND CENTS THING, BUT IT IS OBVIOUSLY HAS ROOM FOR
[01:21:38] THAT ECONOMIC IMPROVEMENT.
[01:21:42] I THINK IT'S IN
[01:21:47] COMPETENT HANDS WITH YOU AT THE HELM, AND I LOOK FORWARD TO
[01:21:52] KEEPING IN TOUCH, AS A FORMER TENANT AS LIVEABOARD AT
[01:21:55] SHILSHOLE, I'M A GREAT FAN AND I REALLY APPRECIATE THE WORK THAT YOU'VE
[01:21:58] BEEN DOING TO MAKE IT EVEN BETTER. SO, THANK YOU. THANK
[01:22:02] YOU. THANK YOU COMMISSIONER FELLEMAN. COMMISSION PRESIDENT,
[01:22:06] COMMISSIONER CHO HAD A FOLLOW-UP COMMENT. COMMISSIONER
[01:22:09] CHO. REAL QUICK, JO, YOU HAD MENTIONED THAT THERE WAS AN
[01:22:13] UPTICK IN MARINA ACTIVITY. WAS THAT AN UPTICK RELATIVE TO LAST
[01:22:19] YEAR, YEAR OVER YEAR, OR RELATIVE TO WHEN COVID HIT?
[01:22:23] SO I WOULD SAY RELATIVE TO THE FACT THAT DURING COVID WE
[01:22:28] DIDN'T HAVE ANYONE COMING OUT AND WE THOUGHT THAT WE WERE
[01:22:31] GOING TO HAVE A REALLY
[01:22:34] LOW OCCUPANCY BOATING SEASON. BUT AS SOON AS THE GOVERNOR
[01:22:39] OPEN BOATING,
[01:22:41] WE SAW PEOPLE JUST FLOCKING TO THEIR BOATS, WHICH MAY BE
[01:22:45] BECAUSE IT IS THE ACTIVITY THAT YOU CAN DO OUTDOORS AND STILL
[01:22:50] ENJOY, YOU KNOW, SOCIAL DISTANCING BECAUSE YOU'RE OUT

[01:22:53] ON YOUR BOAT. SO IT WAS UNEXPECTED. WE
[01:22:57] DID NOT EXPECT TO SEE EVERYONE FLOW INTO THE MARINAA AS
[01:23:02] MUCH AS THEY DO. THANK YOU SO MUCH. THANK YOU. AND THEN
[01:23:08] COMMISSIONER STEINBREUCK FOR YOUR COMMENTS. THANK YOU. AND I
[01:23:11] WANT TO THANK COMMISSIONER BOWMAN FOR RECOMMENDING THAT
[01:23:16] THIS TOPIC BE BROUGHT TO THE FULL COMMISSION IN THIS PUBLIC
[01:23:19] MEETING. I THINK THAT THE AREA OF OUR
[01:23:23] RECREATIONAL BOATING AND I WOULD SAY OUR MARINAS AND THEIR
[01:23:26] MANAGEMENT OPERATION DOES TEND TO GO UNDER THE RADAR SOMEWHAT
[01:23:30] UNTIL RATES RAISED OR SOME OTHER ISSUE ARISES THAT IS OF
[01:23:34] CONCERN TO THE TENANTS WE SERVE SO THIS IS VERY IMPORTANT
[01:23:39] TO MEANINGFULLY HERE. JO, THANK YOU FOR THE DETAILED
[01:23:43] PRESENTATION. IT WAS EXCELLENT.
[01:23:47] I DO HAVE SOME QUESTIONS AND I SHARE SOME OF COMMISSIONER
[01:23:50] BOWMAN'S INTERESTS AND CONCERNS REGARDING THE HIGH
[01:23:54] OPERATING COSTS OVER REVENUES. AND I KNOW THAT
[01:23:58] COMPARISONS WITH OTHER MARINAS, PUBLIC AND PRIVATE, ARE NOT
[01:24:04] NECESSARILY APPLES FOR APPLES. MAY HAVE DIFFERENT BUSINESS
[01:24:08] MODELS, THEY MAY NOT BE PUTTING THE SAME INTO THE CAPITAL
[01:24:12] DEPRECIATION ACCOUNTS, THEY MAY NOT HAVE 500 LIVEBOARDS THAT
[01:24:17] WE DO I THINK AT SHILSHOLE ALONE.
[01:24:21] SO THERE ARE DIFFERENT FACTORS HERE, BUT NEVERTHELESS I THINK
[01:24:25] IT'S IMPORTANT THAT WE REALLY
[01:24:29] LOOK DEEPLY INTO HOW WE'RE MANAGING THESE FACILITIES IN THE
[01:24:33] RED AND WHAT ARE THE DRIVERS THERE AND WHAT NEEDS TO CHANGE
[01:24:37] IF ANYTHING AND THAT'S ALWAYS SORT OF A FLASHPOINT, OF COURSE
[01:24:41] WITH OUR TENANTS WHO FEAR INCREASED RATES. I THINK HAVING
[01:24:45] SOME HISTORICAL DATA WOULD BE HELPFUL AS WELL IN TERMS OF
[01:24:49] HOW RATES HAVE CHANGED AND BEEN INCREASED OVER THE YEARS,
[01:24:53] HOW THE EXPENSE LINES HAVE CHANGED OVER THE YEARS,
[01:24:58] AND WHAT ARE THE DRIVERS FOR
[01:25:02] THE PERSISTENT, LET'S SAY, EXPENSE OVER REVENUE PICTURE
[01:25:07] THAT WE'RE SEEING IN MOST OF THESE MARINAS. TO COMMISSIONER
[01:25:12] FELLEMAN'S POINT, I DON'T SEE THE COMPARISON OF FISHERMAN'S
[01:25:18] TERMINAL ON THE SAME FOOTING. THAT IS A COMMERCIAL FACILITY
[01:25:22] THAT HAS HISTORICALLY SUPPORTED OUR NORTH PACIFIC FISHING
[01:25:25] FLEET, WHICH IS INDUSTRY AND JOBS AND ECONOMIC BENEFIT
[01:25:29] VERSUS MARINAS WHICH,
[01:25:33] ASIDE FROM THE LIVEBOARDS WHOSE PRIMARY HOUSING MAYBE
[01:25:37] THERE, ARE SERVING A MORE RECREATION AND LEISURE
[01:25:40] ACTIVITY WITH BOATERS, WHICH IS A GREAT THING AND WE ARE THE
[01:25:45] BOATING CAPITAL PARADISE. I WISH THE WATER WERE A LITTLE BIT
[01:25:48] WARMER FOR AN OCCASIONAL SWIM, BUT IT'S NOT. SO. BUT I DO
[01:25:53] THINK THAT WE NEED TO LOOK DEEPLY INTO HOW
[01:26:00] OUR EXPENSE LINES ARE CONTRIBUTING TO THE
[01:26:03] YEAR-OVER-YEAR
[01:26:07] BEING IN THE RED AND AT THE SAME TIME THE CAPITAL RESERVE I
[01:26:11] THINK IS AN IMPORTANT AREA AS WELL BECAUSE I THINK WE HAVE TO
[01:26:15] MAINTAIN A LEVEL OF CAPITAL DEPRECIATION RESERVE THAT
[01:26:19] ENSURES THAT WE'RE DOING THE NECESSARY MAJOR MAINTENANCE AND
[01:26:23] UPKEEP THAT WILL NOT COME BACK SO THAT THEY WON'T BECOME MAJOR
[01:26:29] EXPENSE ITEMS DOWN THE ROAD.
[01:26:32] I THINK THAT'S ABOUT ALL I HAVE TO COMMENT ON. I WOULD
[01:26:37] LIKE TO UNDERSTAND THE FINANCIAL PICTURE AND IF IT'S A
[01:26:40] MATTER OF POLICY THAT WE OPERATE THESE IN THE RED THAN I
[01:26:43] THINK WE HAVE TO ACKNOWLEDGE THAT. BACK TO COMMISSIONER
[01:26:47] FELLEMAN'S POINT, THERE IS A SIGNIFICANT PUBLIC
[01:26:51] BENEFIT. PARKS ARE NOT EXPECTED TO OPERATE, YOU KNOW, WITH A
[01:26:58] COMPLETE FLAT COST.
[01:27:02] [LAUGHTER] WE DON'T CHARGE FOR THE USE OF
[01:27:06] PUBLIC FACILITIES IN MANY AREAS SO I DO THINK THAT'S AN
[01:27:11] IMPORTANT NOTE TO MAKE REGARDING HOW WE OPERATE AND
[01:27:17] OWN THESE FACILITIES. JO, DO YOU HAVE ANY CLOSING COMMENTS

[01:27:23] YOU'D LIKE TO MAKE OR ANY FOLLOW-UP TO ANY OF THE
[01:27:26] QUESTIONS AND COMMENTS YOU'VE HEARD
[01:27:35] BEFORE WE MOVE ON? SORRY, I WAS MUTED. THERE WERE QUITE A FEW
[01:27:40] DOGS OUTSIDE OF MY WINDOW. NO, I JUST LIKE TO THANK YOU FOR
[01:27:45] THE OPPORTUNITY TO BRING YOU AN OVERVIEW OF OUR RECREATIONAL
[01:27:50] BOATING LINE OF BUSINESS. I'VE ONLY BEEN HERE EIGHT, NINE
[01:27:54] MONTHS, BUT I AM ENJOYING MYSELF. THERE'S A LOT OF WORK
[01:27:59] TO BE DONE. I HAVE A GREAT STAFF. THEY'RE ALL READY FOR
[01:28:02] IT. SO WE WILL GATHER THOSE NUMBERS AND WE'LL GET THE
[01:28:06] FINANCIAL TO YOU. I'M JUST LOOKING FORWARD TO
[01:28:10] MAKING SOME POSITIVE CHANGES HERE. EXCELLENT. EXCELLENT.
[01:28:17] [CROSSTALK]
[01:28:21] [CROSSTALK]
[01:28:25] KENNY?
[01:28:29] THANK YOU VERY MUCH. I JUST WANTED TO
[01:28:32] LEAVE THIS PRESENTATION WITH
[01:28:35] ASSURING THE COMMISSION THAT YOU WILL HAVE CONFIDENCE IN OUR
[01:28:41] DILIGENT MANAGEMENT OF THESE FACILITIES AS WELL AS
[01:28:47] OUR EXPECTATIONS TO BE MARKET LEADERS. OVER THE PAST 20 YEARS
[01:28:53] THAT I'VE BEEN A PART OF THE MARITIME DIVISION MANAGING
[01:28:58] FISHERMAN'S TERMINAL AND NOW SHILSHOLE BAY MARINA, WE'VE
[01:29:01] ALWAYS SOUGHT TO BE MARKET LEADERS. SO THAT'S WHY WE DO OUR
[01:29:04] ANNUAL STUDY, OUR MARKET RATE STUDY. AND THERE IS A COST OF
[01:29:08] OWNERSHIP AND AS JO MENTIONED OPENING UP THE PRESENTATION,
[01:29:14] SHILSHOLE WAS THE FIRST RECREATIONAL ASSET
[01:29:19] THAT THE PORT TOOK OWNERSHIP OF
[01:29:24] SO WHEN THE BIG CAPITAL DEVELOPMENT TOOK PLACE IN THE
[01:29:27] 90S, THE RESTROOM FACILITIES WERE PRESERVED AND THEY WERE
[01:29:32] AGAIN 1962 FACILITIES. SO IT WAS OVERDUE AND WHAT COMES
[01:29:38] WITH THE COST OF OWNERSHIP IS AS YOU KNOW, BEING IN THE
[01:29:43] ARCHITECTURAL FIELD THAT YOU'RE IN, THERE'S A COST OF
[01:29:45] DEPRECIATION. SO WE'RE TRYING TO TURN THAT RED INTO BLACK
[01:29:51] WITH THE DIRECTION THAT WE'RE HEADING THERE. AND YOU
[01:29:54] HAVE TO FORGIVE NEXT YEAR BECAUSE OF THE ECONOMIC
[01:29:58] DOWNTURN AS A RESULT OF COVID, WE WON'T BE RAISING OUR RATES,
[01:30:02] BUT WE DO WANT OUR RECREATIONAL FACILITIES TO BE MARKET LEADERS
[01:30:07] AND TO BE REVENUE PRODUCERS FOR THE PORT OF SEATTLE. SO THAT'S
[01:30:12] WHAT I WOULD LIKE TO CLOSE WITH. ALL RIGHT. THANK YOU
[01:30:15] KENNY. COMMISSIONER FELLEMAN. DID YOU HAVE A
[01:30:18] QUESTION? YEAH. I THINK THERE'S TWO THINGS. ONE, I'D LIKE TO
[01:30:22] RESPOND TO YOUR COMMENT ABOUT FISHERMAN'S TERMINAL
[01:30:24] BECAUSE I WASN'T TRYING TO MAKE A DIRECT
[01:30:27] ANALOGY. I WAS SUGGESTING THAT THERE ARE A LOT OF ECONOMIC
[01:30:32] SPIN-OFFS FOR OUR REGION LIKE THE MAINTENANCE OF FISHING
[01:30:36] BOATS, THERE'S THE MAINTENANCE OF RECREATIONAL BOATS AND THE
[01:30:39] ASSOCIATED SHIP RIGHTS AND ALL THE OTHER TALENTS THAT THAT
[01:30:44] COMMUNITY SUPPORTS IS ANALOGOUS ALTHOUGH IT'S NOT A
[01:30:47] COMMERCIAL OPERATION. BUT IT'S ALSO VERY IMPORTANT TO REMEMBER
[01:30:50] THAT THERE'S A BIG DIFFERENCE IN THE WHEREWITHAL OF PEOPLE
[01:30:55] THAT OWN BOAT SAYS AS LIKE A TOY VERSUS THOSE THAT ARE
[01:30:59] LIVEBOARDS AND IT'S NOT A AFFLUENT COMMUNITY. IT IS
[01:31:05] SOMEWHAT, YOU KNOW,
[01:31:08] INEXPENSIVE RELATIVELY SPEAKING. BUT HAVING SAID THAT,
[01:31:11] HAVING LIVED ON THE DOCKS THERE FOR A WHILE, PEOPLE WOULD OFTEN
[01:31:14] POINT TO HOW MUCH LESS EXPENSIVE IT IS TO BE IN EVERETT
[01:31:17] OR IN EDMONDS.
[01:31:19] AND SO AS WE LOOK AT OUR MARKET POTENTIAL IT'S IMPORTANT TO
[01:31:24] LOOK AT THESE OTHER PLACES THAT EXIST. THE ONE THING THAT IS TO
[01:31:28] BE KNOWN
[01:31:30] IS IT'S ONE THING TO OWN A BOAT, BUT IT'S ANOTHER THING TO
[01:31:32] HAVE A SLIP AND THERE IS WAITING LINES. I MEAN SHILSHOLE
[01:31:36] RIGHT NOW, WHAT DO WE HAVE? A TWO-YEAR WAITING LIST TO
[01:31:39] HAVE A SLIP? I MEAN IT IS A REALLY INCREDIBLY VALUABLE

[01:31:45] COMMODITY THAT WE HAVE AND IT'S JUST GOING TO BE VARIOUS CLEVER
[01:31:50] THINGS THAT I THINK WE'RE GOING TO HAVE TO DO TO MAKE IT MORE
[01:31:54] PROFITABLE. AND SOME OF THAT MIGHT BE LIKE UPLAND
[01:31:56] DEVELOPMENT LIKE WE HAVE IT SALMON BAY. WE HAVE ALL THAT
[01:31:58] UPLAND ROOM AND THE SAME THING WITH FISHERMAN'S TERMINAL.
[01:32:02] WE HAVE TO LOOK AT THESE AS SYSTEMS AND THE FACT THAT WE
[01:32:06] DON'T HAVE A RESTAURANT YET AT SHILSHOLE IS SOMETHING
[01:32:09] THAT I KNOW WE'VE BEEN WORKING ON A LONG TIME, BUT WE USED TO
[01:32:12] HAVE THESE ADDITIONAL REVENUE SOURCES. IT'S SORT OF LIKE OUR
[01:32:15] ADR IS TO OUR AIRPORT. WE NEED TO GET THOSE NON-SLIP REVENUES
[01:32:19] GOING AS WELL AS THESE OTHER THINGS. SO ANYWAY, THANK
[01:32:25] YOU SO MUCH FOR THE PRESENTATION AND THANK YOU
[01:32:27] STEPHANIE FOR ASKING US TO HAVE IT. JO, KENNY, THANKS AGAIN.
[01:32:32] WE'LL LOOK FORWARD TO MORE AS WE CONTINUE FORWARD ON THESE
[01:32:36] ISSUES. SO WITH THAT I'D LIKE TO MOVE ON TO THE NEXT ITEM,
[01:32:41] WHICH IS A BRIEFING ON THE SECOND QUARTER FINANCIAL
[01:32:46] REPORTS. WE'LL TURN TO EXECUTIVE DIRECTOR METRUCK TO
[01:32:49] INTRODUCE THAT TOPIC. THANK YOU COMMISSIONER STEINBREUCK AND
[01:32:54] MOVING TO THIS. THIS IS OUR SECOND Q2 FINANCIAL
[01:33:01] PERFORMANCE BRIEFING AND I THINK THIS HAS BEEN A QUARTER
[01:33:05] BRIEFING UNLIKE WE'VE EVER HAD IN MANY MANY YEARS HERE WITH
[01:33:09] THE COVID PANDEMIC HITTING US AND THE
[01:33:13] IMPACT ON THE BUSINESS LINES AND OUR FIRST REACTIONS TO IT.
[01:33:17] IF COMMISSIONERS REMEMBER, WE DID UNDERTAKE A REVISED
[01:33:20] BUDGET WITH A LOT OF ACTIONS REDUCING BOTH OUR CAPITAL
[01:33:25] AND OUR OPERATING EXPENSES GOING FORWARD THE TUNE OF US 70
[01:33:29] MILLION DOLLARS. WITHIN THIS ALSO WITH THE REDUCTIONS BOTH
[01:33:35] ON AVIATION AND IN THE MARITIME AND EDD, THE REDUCTIONS IN
[01:33:40] OPERATIONS THERE AFFECTING REVENUES COMING IN.
[01:33:44] AND OF COURSE, YOU'LL SEE IN THESE AS WE REVIEW THIS THE
[01:33:48] IMPACT OF FINANCIAL AID IN THE FORM OF THE CARES ACT AND
[01:33:52] THE MONEY RECEIVED IN AVIATION TO ASSIST US WITHIN THAT. SO WE
[01:33:56] MADE SOME ASSUMPTIONS EARLY ON. YOU'LL SEE AS WE ADJUST TO
[01:34:00] THIS, ONE OF THE THINGS WE'LL BE LEARNING FROM THIS IS
[01:34:02] THERE'S SO MUCH UNCERTAINTY THAT WAS HAPPENING AS WE SET UP
[01:34:06] OUR RESPONSE TO COVID ADJUSTING OUR FINANCIAL
[01:34:10] SITUATION. YOU'LL SEE THOSE. THIS WILL HELP INFORM IN THIS
[01:34:15] FURTHER FOR THE SECOND QUARTER THAT WE ROLL INTO THE
[01:34:18] THIRD QUARTER THEN THE FOURTH QUARTER. WE'LL ALSO SET UP HOW
[01:34:21] WE'RE PERFORMING AGAINST THESE REVISED BUDGETS AND YOU'LL SEE
[01:34:24] SOME OF THAT READ OUT TODAY FROM THE GROUP AS WE GO
[01:34:28] THROUGH IT. SO WITH THAT I'M GOING TO TURN IT OVER TO OUR
[01:34:31] CFO DAN THOMAS TO INITIALLY KICK THIS OFF AND THEN
[01:34:36] FIRST LOOK AT AVIATION WITH MORGAN ANDERSON
[01:34:40] AND THEN WE'LL TURN TO MARITIME AND THE EDD WE'LL HEAR FROM
[01:34:43] STEPHANIE JONES STEBBINS AND DAVE MCFADDEN AS WELL AS
[01:34:49] KELLY SUPINE AND THEN MICHAEL STRONG WILL TALK ABOUT
[01:34:51] THE CENTRAL SERVICES AS WELL AS WE DO THAT. SO WITH THAT I'M
[01:34:54] GOING TO TURN OVER TO DAN THOMAS TO SET THE STAGE AS WE GO
[01:34:58] THROUGH THIS AND THEN TO ANY COMMISSION
[01:35:03] QUESTIONS AS WE FOCUS ON GOING FORWARD WITH THE PROCESS.
[01:35:07] SO I'LL TURN IT OVER TO DAN.
[01:35:11] THANK YOU, STEVE. CAN YOU HEAR ME?
[01:35:16] CAN YOU HEAR ME? YEAH,
[01:35:20] SO I GUESS IF WE CAN MOVE TO THE FIRST SLIDE, PLEASE.
[01:35:26] SO OBVIOUSLY AS STEVE HAD MENTIONED EARLIER IN HIS
[01:35:29] EXECUTIVE DIRECTOR'S REPORT, COVID-19, THE PANDEMIC HAS
[01:35:33] CONTINUED TO HAVE SIGNIFICANT IMPACTS ON PORT OPERATIONS AND
[01:35:36] FINANCIAL PERFORMANCE AND SEA-TAC AIRPORT HAS BEEN
[01:35:40] EXPERIENCING THE MOST SIGNIFICANT IMPACTS IN GENERAL.
[01:35:44] AIRPORT PASSENGER LEVELS EARLIER IN THE YEAR DROPPED
[01:35:48] DRAMATICALLY. IN APRIL OUR ENPLANEMENTS WERE DOWN 94%
[01:35:54] COMPARED TO THE PRIOR YEAR APRIL NUMBERS. WE HAVE SEEN

[01:35:58] SOME STEADY IMPROVEMENT SINCE THEN. IN JUNE NUMBERS WERE DOWN
[01:36:04] ONLY 78 PERCENT COMPARED TO THE PRIOR YEAR AND WHILE WHEN THIS
[01:36:09] PRESENTATION WAS PUT TOGETHER WE DIDN'T HAVE OUR JULY
[01:36:12] NUMBERS, BUT WE ACTUALLY JUST GOT OUR JULY NUMBERS AND IT'S
[01:36:15] LOOKING AT FOR JULY OUR ENPLANEMENTS WERE DOWN ABOUT 72
[01:36:19] PERCENT COMPARED TO THE PRIOR YEAR. SO WE HAVE BEEN SEEING
[01:36:23] SOME STEADY IMPROVEMENT IN THE PASSENGER ENPLANEMENTS.
[01:36:26] AS YOU'RE WELL AWARE BECAUSE OF THE PANDEMIC THE
[01:36:30] ALASKAN CRUISE SEASON FOR THIS YEAR HAS BEEN CANCELED. AGAIN
[01:36:34] LIKE THE AIRPORT AND AIRLINE INDUSTRY, WE DO EXPECT THE
[01:36:38] CRUISE INDUSTRY TO BE PROBABLY A MULTI-YEAR RECOVERY.
[01:36:42] AND THEN AS YOU'RE WELL AWARE, WE INSTITUTED A NUMBER OF EARLY
[01:36:45] ACTIONS THIS YEAR TO HELP MITIGATE SOME LOSS IN
[01:36:48] REVENUE AND CASH FLOW AND THAT INCLUDES THE COMBINED 70
[01:36:53] MILLION DOLLARS IN EXPENSE AND CAPITAL REDUCTIONS AND DEFERRALS
[01:36:59] AND THESE FORM THE BASIS OF THE REVISED BUDGET THAT WE ARE NOW
[01:37:03] TRACKING AGAINST. SO AS STEVE MENTIONED, WE ARE NOW TRACKING
[01:37:07] AGAINST THAT BUDGET AND THAT'S WHAT YOU'LL BE SEEING IN
[01:37:09] TODAY'S PRESENTATION. WE HAVE INCLUDED THE APPROVED BUDGET
[01:37:13] FOR REFERENCE, BUT THE COMPARISON IS AGAINST THE
[01:37:15] REVISED BUDGET. I WOULD SAY WE'RE TRACKING REASONABLY WELL
[01:37:19] AGAINST THE REVISED BUDGET SO FAR, ALTHOUGH YOU'LL SEE THAT
[01:37:23] THE AIRPORT REVENUE NUMBERS IS A BIT MORE COMPLICATED
[01:37:26] OF A STORY. AND BORGAN ANDERSON WILL GO INTO A LITTLE
[01:37:28] BIT MORE DETAIL BECAUSE BACK WHEN WE PREPARED THE REVISED
[01:37:31] BUDGET, WE HAD EARLIER ENPLANEMENT PROJECTIONS. ALSO
[01:37:36] WE HADN'T REVISED OUR REVENUES TO REFLECT THE IMPACT OF THE
[01:37:40] CARES ACT WHICH AS YOU KNOW, WE RECEIVED A HUNDRED NINETY TWO
[01:37:44] MILLION DOLLARS
[01:37:46] OF A GRANT AWARD UNDER THE CARES ACT. WE'VE ACTUALLY BEEN
[01:37:49] REIMBURSED AND WE HAVE RECEIVED 75 MILLION DOLLARS RECENTLY. SO
[01:37:54] IT'S A GOOD START. AND IT'S A COMBINATION OF THE CARES
[01:37:57] FUNDING AND THE CAPITAL AND EXPENSE REDUCTIONS AND ALSO THE
[01:38:01] FACT THAT WE STARTED THE YEAR WITH PRETTY HEALTHY CASH
[01:38:04] RESERVES. STEVE'S BEEN INSTRUMENTAL IN HELPING US
[01:38:07] WEATHER THIS STORM. BUT AS STEVE HAS REFERENCED, WE'RE
[01:38:12] STILL OPERATING IN AN ENVIRONMENT OF SIGNIFICANT
[01:38:14] UNCERTAINTY REGARDING THE TRAJECTORY OF THE VIRUS AND THE
[01:38:18] ATTENDANT ECONOMIC IMPACTS. THINGS CERTAINLY COULD GET
[01:38:22] WORSE AS WE GO INTO THE LATER PART OF THE YEAR. SO AGAIN AN
[01:38:26] UNDERScore IS THAT NEED TO BE VERY VERY CONSERVATIVE IN
[01:38:28] OUR APPROACH TO PREPARING THE 2020 BUDGET. 2021 BUDGET. SORRY.
[01:38:34] SO WITH THAT I'D BE HAPPY TO TURN IT OVER TO BORGAN ANDERSON
[01:38:38] TO BEGIN ON THE AIRPORT PRESENTATION.
[01:38:44] OKAY.
[01:38:53] IF WE COULD MOVE ON TO THE NEXT SLIDE, PLEASE.
[01:38:59] OKAY. DAN SAID THE AIRPORT WAS A LITTLE MORE COMPLICATED AND
[01:39:02] SO MY GOAL HERE IS TO EXPLAIN WHY THAT APPARENT HUNDRED AND
[01:39:07] SEVENTEEN MILLION DOLLAR NEGATIVE VARIANCE THAT YOU'RE
[01:39:09] LOOKING AT IS NOT AN INDICATION OF DETERIORATING FINANCIAL
[01:39:14] PERFORMANCE COMPARED TO OUR JUNE 4TH UPDATE TO YOU.
[01:39:19] [INAUDIBLE]
[01:39:22] WE GOT TO START WITH THE AERONAUTICAL REVENUE LINE AND
[01:39:25] THE FORECAST SHOWS TWO HUNDRED NINETY SEVEN MILLION. AND THAT
[01:39:28] IS THE REVENUE REQUIREMENT. THAT'S WHAT THE AIRLINES WILL
[01:39:31] OWE US. AND THE REASON IT'S SO MUCH LESS THAN THE BUDGET IS
[01:39:35] BECAUSE OF THE APPLICATION OF THE CARES ACT GRANT. WHEN WE PAY
[01:39:38] FOR THAT SERVICE OR OPERATING COSTS THAT WOULD OTHERWISE GO
[01:39:42] INTO THE RATE BASE, WITH A GRANT THOSE COSTS ARE REMOVED FROM
[01:39:46] THE RATE BASE. THE CARES ACT GRANT DOESN'T SHOW UP HERE AS
[01:39:50] PART OF OUR NET OPERATING INCOME. IT COMES IN AS NON
[01:39:53] OPERATING REVENUE. SO THAT'S WHY THIS PICTURE IS
[01:39:57] PERHAPS NOT AS CLEAR AS IT COULD BE. BUT NONETHELESS THE

[01:40:01] THE AERONAUTICAL COMPARISON AS DAN INDICATED IS NOT
[01:40:04] PARTICULARLY RELEVANT. AS YOU SEE, THE REVISED BUDGET IS
[01:40:07] EXACTLY THE SAME AS THE APPROVED BUDGET. WE JUST DIDN'T
[01:40:09] KNOW ENOUGH AT THAT TIME TO BE ABLE TO HAVE A
[01:40:13] REASONABLY ACCURATE AERONAUTICAL REVISED BUDGET.
[01:40:17] THE OTHER PROBLEM WITH OUR COMPARISON HERE IS ON THE
[01:40:20] NON AERONAUTICAL SIDE IS THAT WHEN WE SET THE REVISED BUDGET,
[01:40:25] WE ASSUMED A 51 PERCENT REDUCTION IN THE PASSENGER
[01:40:30] LEVEL AND WHEN WE REPORTED TO YOU ON JUNE 4TH, WE HAD UPDATED
[01:40:35] OUR FORECAST ASSUMPTION TO ASSUME A 61% DROP AND THAT
[01:40:40] CONTINUES TO BE OUR FORECAST FOR THE YEAR. SO COMPARED TO
[01:40:45] THAT JUNE 4TH PRESENTATION,
[01:40:48] AT WHICH WE WERE PROJECTING A HUNDRED AND THIRTEEN MILLION
[01:40:52] DOLLAR NON AERONAUTICAL REVENUE, WE'RE ACTUALLY
[01:40:55] SLIGHTLY BETTER BECAUSE WE'RE SHOWING A HUNDRED FIFTEEN
[01:40:58] MILLION. THAT'S JUST A SLIGHT IMPROVEMENT, BUT WE'LL TAKE
[01:41:00] ANYTHING WE CAN AT THIS POINT.
[01:41:03] ON THE O&M SIDE. WE ARE COMPARING AGAINST THAT REVISED
[01:41:07] BUDGET AND YOU'LL SEE A FORECAST HERE THAT SHOWS WE'LL
[01:41:10] BE SIX MILLION DOLLARS UNDER. AND MOST OF THAT IS
[01:41:14] ATTRIBUTABLE TO SAVINGS FROM CENTRAL SERVICES AND ALSO
[01:41:17] SOME SAVINGS THAT WE ANTICIPATE FROM THE ENVIRONMENTAL
[01:41:21] REMEDIATION LIABILITY EXPENSES. WHEN WE CLOSE OUT PROJECTS, WE
[01:41:25] GET TO THE END OF THEM, WE SEE THAT THE COSTS AREN'T AS MUCH
[01:41:27] AS WE ESTIMATED AND I THINK THAT'S WHERE WE'LL BE THIS
[01:41:29] YEAR. SO AGAIN COMPARED TO OUR JUNE FOURTH PRESENTATION, WE
[01:41:34] ARE ACTUALLY BETTER ON THE AERONAUTICAL SIDE BECAUSE THE
[01:41:37] REVENUES ARE LOWER WHICH INDICATES WE'VE REDUCED COST TO
[01:41:40] THE AIRLINES. THE NON AERONAUTICAL REVENUES ARE
[01:41:44] ACTUALLY BETTER THAN AT JUNE 4TH, AND THE O&M EXPENSE IS
[01:41:48] UNDER. SO EVEN THOUGH WE'RE SHOWING A NEGATIVE NOI OF 117
[01:41:53] COMPARED TO THE REVISED BUDGET, MY MESSAGE TO YOU IS WE'RE
[01:41:57] ACTUALLY BETTER ON AERONAUTICAL REVENUES, NON AERONAUTICAL,
[01:42:01] REVENUES, AND O&M.
[01:42:04] ANOTHER KEY MEASURE,
[01:42:06] IS OUR NON AERONAUTICAL NLY AND THAT'S
[01:42:09] REALLY THE CASH FLOW THAT WE GENERATE. AND YOU CAN SEE HERE
[01:42:13] THAT WE'RE JUST BARELY POSITIVE AT 4 MILLION. AND YOU KNOW,
[01:42:18] THIS SHOWS MORE THAN ANYTHING ELSE HOW DEVASTATED THE AIRPORT
[01:42:22] HAS BEEN BY THIS REDUCTION IN PASSENGERS BECAUSE MOST OF OUR
[01:42:26] NON AERONAUTICAL REVENUES ARE DRIVEN BY PASSENGERS, AND IF
[01:42:30] NOT FOR THE CARES ACT GRANT, WE WOULD BE IN A VERY DIFFERENT
[01:42:34] SITUATION. SO THE CARES ACT GRANT WE ANTICIPATE FULLY
[01:42:38] OF OPTIMIZE THE USE OF THE GRANT TO HELP US ACHIEVE
[01:42:48] OUR GOALS FOR DEBT
[01:42:57] SERVICE COVERAGE, CASH IMPROVEMENT, AND MITIGATING
[01:43:02] AIRLINE COSTS.
[01:43:04] ON THE CPE HERE AGAIN AT \$26. THAT WOULD HAVE BEEN SORT
[01:43:10] OF ASTRONOMICAL IF I'D THOUGHT ABOUT THAT A YEAR AGO, BUT THIS
[01:43:14] IS ACTUALLY BETTER THAN WHAT WE WERE PROJECTING ON JUNE 4TH.
[01:43:17] BACK THEN WE WERE PROJECTING
[01:43:19] A NUMBER JUST UNDER \$29 AND THE DEBT SERVICE
[01:43:23] COVERAGE OF 136. THIS IS ACTUALLY BETTER THAN THE 129.
[01:43:28] WE PROJECTED BACK ON JUNE 4TH. SO AGAIN, WE'RE DOING ACTUALLY
[01:43:33] BETTER IN ALL THESE KEY MEASURES. IN THE ADF BALANCE,
[01:43:36] WHICH IS OUR CASH,
[01:43:39] YOU KNOW, WE STARTED THE YEAR WITH OVER 300 MILLION. THE
[01:43:41] REVISED BUDGET WAS OUR TARGET FOR THE YEAR BASED ON TEN
[01:43:45] MONTHS OF O&M COSTS BEING REFLECTED IN OUR CASH BALANCE.
[01:43:49] AND RIGHT NOW WE'RE PROJECTING TO RESTORE MOST OF THAT. AND
[01:43:53] AGAIN, THIS IS PRIMARILY DUE TO THE CARES ACT GRANT BUT IT'S
[01:43:56] ALSO DUE TO THE FACT THAT WE'VE BEEN ABLE TO RECONCILE SOME
[01:43:59] WHAT WE CALL BACK FUNDING WHERE WE'RE ABLE TO TRANSFER

[01:44:03] SOME FUNDS AFTER WE CLOSE OUT GRANTS AND MORE FULLY UTILIZE
[01:44:07] SOME OF THE BOND FUNDS AND TRANSFER THE MONEY BACK INTO
[01:44:10] OUR CASH FUND. SO WE'VE MADE SOME SIGNIFICANT
[01:44:12] ACCOMPLISHMENTS THERE AS WELL. SO I GUESS THE REAL BOTTOM LINE
[01:44:17] HERE IS THAT, YOU KNOW, COMPARED TO JUNE 4TH. OUR CASH BALANCES
[01:44:22] ARE UP. OUR DEBT SERVICE COVERAGE IS UP.
[01:44:26] OUR CPE IS DOWN, OUR OM IS TRACKING LOWER, AND THE AMOUNT
[01:44:31] THAT THE AIRLINES WOULD OWE US AT THE END OF THE YEAR, OR THE
[01:44:34] AIRLINE DEFICIT, IS ACTUALLY GOING TO GO DOWN AS WELL. SO
[01:44:39] BOTTOM LINE. I'D LIKE TO SAY THAT WE ARE ACTUALLY DOING
[01:44:43] A LITTLE BIT BETTER THAN WE WERE PROJECTING ON JUNE 4TH.
[01:44:47] EVEN IF THE SHOWS A BIG NEGATIVE VARIANCE AND I'LL
[01:44:50] DISCUSS THE CAPITAL SPENDING ON A SLIDE COMING UP. SO LET'S
[01:44:53] MOVE ON TO THE NEXT SLIDE, PLEASE.
[01:44:57] ALL RIGHT, DAN INDICATED THAT THE JULY WAS COMING IN AT ABOUT
[01:45:02] 72 PERCENT UNDER. THIS STILL SHOWS THE FORECASTED 74. SO
[01:45:06] WE'RE JUST SLIGHTLY BETTER THAN THE FORECAST FOR JULY AND I
[01:45:10] THINK WHAT WE'VE HEARD FROM ALASKA AIRLINES LAST WEEK
[01:45:15] IS THAT THEY'RE SEEING SOME CONCERN AS THEY LOOK AT
[01:45:18] INTO AUGUST AND SEPTEMBER WITH THEIR ADVANCE BOOKINGS. SO
[01:45:22] THERE'S STILL A LOT OF UNCERTAINTY FOR THE REMAINDER
[01:45:24] OF THE YEAR, BUT WE THINK THE 61 PERCENT DOWN ASSUMPTION IS
[01:45:28] STILL REASONABLY CONSERVATIVE.
[01:45:32] NEXT SLIDE, PLEASE.
[01:45:36] SO MUCH OF OUR PRESENTATION TODAY HAS BEEN
[01:45:39] FOCUSED ON FINANCIALS. I JUST WANTED TO COMMUNICATE THAT WE
[01:45:43] HAVE ALSO BEEN MAKING A PROGRESS ON A LOT OF OUR
[01:45:46] SIGNIFICANT OBJECTIVES FOR THE YEAR AND I WON'T CALL THESE ALL
[01:45:50] OUT, BUT I JUST LIKE TO NAME A FEW. WE HAVE COMPLETED THE
[01:45:54] DESIGN FOR THE CONDOMINIUM NOISE INSULATION. SO THAT'S AN
[01:45:59] IMPORTANT ACCOMPLISHMENT FROM AN ENVIRONMENTAL SUSTAINABILITY
[01:46:03] STANDPOINT. AS YOU KNOW, WE SIGNED A LONG-TERM CONTRACT FOR
[01:46:05] THE PURCHASE OF RENEWABLE NATURAL GAS AND THE
[01:46:09] FINANCIAL AREA, IT'S ALSO A CUSTOMER SERVICE INITIATIVE AS
[01:46:12] WELL. WE DID LAUNCH THE PUBLIC PARKING PRE-BOOK PROGRAM. SO
[01:46:17] WE'RE CONTINUING TO ACCOMPLISH A NUMBER OF THINGS IN ADDITION
[01:46:20] TO IMPLEMENTING THE FLY HEALTHY AT SEA INITIATIVE, WHICH HAS
[01:46:24] BEEN OUR PRIMARY FOCUS. NEXT SLIDE, PLEASE.
[01:46:30] ALL RIGHT ON THE CAPITAL SPENDING SIDE WE ARE ACTUALLY
[01:46:34] PROJECTING TO SPEND ABOVE THE REVISED BUDGET. AND AGAIN, I
[01:46:39] WOULD LIKE TO TELL YOU THAT I THINK THIS IS ACTUALLY GOOD
[01:46:41] NEWS BECAUSE WE'VE BEEN ABLE TO ACCELERATE SPENDING IN A COUPLE
[01:46:46] KEY PROJECTS TO GET WORK DONE IN TWO THOUSAND RATHER
[01:46:50] THAN TWO THOUSAND ONE AND TAKE ADVANTAGE OF A SITUATION WHERE
[01:46:54] WE HAVE LOWER OPERATIONAL IMPACTS. THAT'S BEEN PRIMARILY
[01:46:58] WITH THE NORTH SATELLITE PROJECT, BAGGAGE OPTIMIZATION,
[01:47:01] AND THE AIRFIELD PAVEMENT PROJECT. ALL OF THESE PROJECTS
[01:47:04] BENEFIT WHEN WE ACTUALLY HAVE FEWER PASSENGERS.
[01:47:08] THESE ARE NOT PROJECT BUDGET
[01:47:11] INCREASES, IT'S JUST AN ACCELERATION OF SPENDING. ON THE
[01:47:15] FLIP SIDE. WE'VE GOT THE IAF, OR INTERNATIONAL ARRIVALS
[01:47:18] FACILITY, WHERE WE'RE ACTUALLY SPENDING LESS AND THAT WOULD
[01:47:21] NOT BE AN INDICATION OF SAVING. IT'S JUST THAT THE
[01:47:23] SPENDING IS BEING DELAYED AND IT WILL BE PUSHED OUT INTO NEXT
[01:47:27] YEAR. SO OVERALL WE'RE ANTICIPATING TO SPEND MORE THAN
[01:47:31] OUR REVISED BUDGET AND I HAVEN'T BEEN ABLE TO REPORT
[01:47:34] THAT IN LONG TIME. AND AGAIN, I'D LIKE TO SAY THAT THAT'S
[01:47:37] GOOD NEWS.
[01:47:39] NEXT SLIDE, PLEASE.
[01:47:42] I GUESS THAT CONCLUDES MY COMMENTS. IF THERE ARE ANY
[01:47:44] QUESTIONS, I'D BE HAPPY TO TAKE THEM OR WE CAN FIELD THEM AT THE
[01:47:46] END.
[01:47:52] OKAY.

[01:47:56] I SHOULD MENTION ALSO THAT COMMISSIONERS IN YOUR BINDERS.
[01:47:59] THERE'S CONSIDERABLY MORE DETAIL AND THE FINANCIAL
[01:48:06] REPORT FOR YOUR CONSUMPTION.
[01:48:11] BORGEN, THIS IS COMMISSIONER BOWMAN. I HAVE A
[01:48:15] COUPLE QUESTIONS IF YOU DON'T MIND SURE AND JUST BECAUSE I
[01:48:18] APPRECIATE JUST FOCUSING ON AVIATION TO START WITH, OUR
[01:48:21] BIGGEST LINE OF BUSINESS. SO THANK YOU FOR CALLING OUT THE
[01:48:26] QUEST BECAUSE IT WAS EXACTLY MY FIRST QUESTION WAS WHY THE
[01:48:29] AERONAUTICAL REVENUE THE REVISED BUDGET WAS
[01:48:33] THE SAME AS THE APPROVED BUDGET. SO CAN YOU KIND OF GIVE
[01:48:36] A SNAPSHOT? I GUESS I'M NOT UNDERSTANDING. WHERE ARE WE NOW
[01:48:40] WITH AERONAUTICAL? I SEE THE FORECAST FOR THE END OF THE
[01:48:43] YEAR IS 297.
[01:48:49] OKAY. WELL THERE IS A SLIDE.
[01:48:53] THERE'S SO MUCH HERE. SO I APOLOGIZE.
[01:48:57] FAST-FORWARDING MYSELF AND I'LL TELL YOU THE SLIDE NUMBER HERE
[01:49:00] IN JUST A MOMENT. OKAY.
[01:49:09] I THINK YOU MIGHT BE IN THE APPENDIX. IT'S IN THE APPENDIX
[01:49:12] AND IT IS SLIDE 41. OKAY. LET ME GO BACK TO THAT.
[01:49:19] THEN
[01:49:22] DO YOU WANT TO TALK ABOUT THAT FOR JUST A SECOND? SURE. THIS
[01:49:24] JUST SHOWS WHERE WE ARE ON A YEAR-TO-DATE BASIS. AND AGAIN
[01:49:29] THE COMPARISONS TO THE BUDGET AREN'T PARTICULARLY
[01:49:32] RELEVANT JUST BECAUSE THEY WEREN'T--
[01:49:36] WE DIDN'T REVISE THE BUDGET. BUT THIS SHOWS THAT WE'RE, YOU KNOW,
[01:49:40] WELL BELOW BUDGET, BUT AGAIN FROM A REVENUE
[01:49:44] REQUIREMENT STANDPOINT, THIS IS THIS IS GOOD NEWS. SO I THINK
[01:49:49] FROM THE AERONAUTICAL SIDE THAT MOST IMPORTANT IS REALLY THE
[01:49:53] YEAR END RESULTS AND WHERE WE ARE FROM A STANDPOINT OF
[01:49:57] COLLECTIONS OR ANTICIPATED COLLECTIONS VERSUS THE
[01:50:01] REQUIREMENT. AND AT THIS POINT, WE ARE CURRENTLY EXPECTING THAT
[01:50:05] FROM THE AERONAUTICAL RATE-BASED STANDPOINT,
[01:50:09] THE REQUIREMENT WOULD BE 281 MILLION AND THAT WE ANTICIPATE
[01:50:14] BILLING THE CARRIER'S ABOUT 256. SO THAT WOULD CREATE A
[01:50:17] YEAR-END DEFICIT OF ABOUT 25 MILLION AND THAT'S ABOUT 20
[01:50:22] MILLION LESS THAN WHAT WE WERE PROJECTING ON JUNE 4TH.
[01:50:27] [INAUDIBLE] A 44 MILLION DOLLAR DEFICIT THAT POINT. SO
[01:50:31] WE'RE NARROWING THAT WHICH WOULD BE GOOD NEWS FOR THE
[01:50:34] AIRLINES. OKAY, AND THEN. THAT IS GOOD NEWS. AND THEN MY
[01:50:38] SECOND QUESTION, IT'S REGARDING PAGE 19. AND SO I DON'T KNOW
[01:50:45] THAT THAT'S NECESSARILY A SLIDE BUT LOOKING IT'S THE YEAR
[01:50:49] END FORECAST FOR SEVERAL OF OUR NON AERONAUTICAL
[01:50:52] BUSINESSES AND I'M JUST TRYING TO UNDERSTAND THE DIFFERENCE
[01:50:57] BETWEEN OUR YEAR-TO-DATE PROJECTIONS AND I'M GOING TO
[01:51:00] USE A COUPLE OF EXAMPLES. SO PUBLIC PARKING, OUR VARIANCE
[01:51:05] THERE WAS A 6.7% INCREASE IN PUBLIC PARKING
[01:51:11] REVENUES, WHICH IS GREAT. AIRPORT DINING AND RETAIL 15.3%
[01:51:18] BUT THEN IF YOU GO OVER AND LOOK AT OUR YEAR-END CAST YOU'RE
[01:51:22] THEN PROJECTING ON PUBLIC PARKING A 17.9 PERCENT DECREASE,
[01:51:28] ON AIRPORT DINING AND RETAIL INSTEAD OF POSITIVE, IT'S NOW
[01:51:32] 11.4
[01:51:34] DECREASE AND IT KIND OF GOES ON AND ON. SO CAN YOU HELP ME
[01:51:38] UNDERSTAND
[01:51:41] WHAT ASSUMPTIONS YOU'VE TAKEN INTO CONSIDERATION WHEN LOOKING
[01:51:44] AT YEAR-END VERSUS YEAR-TO-DATE? SURE. WELL, IT'S
[01:51:50] ALL BASED ON THE
[01:51:52] MONTHLY
[01:51:54] PASSENGER LEVEL ESTIMATES. AND AS I SAID BEFORE, THE
[01:52:00] ORIGINAL BUDGET OBVIOUSLY ASSUME WE'RE GOING TO GROW 3%.
[01:52:03] THE REVISED BUDGET ASSUMED WE WERE GOING TO BE DOWN 51
[01:52:06] PERCENT FOR THE YEAR AND WE'RE CURRENTLY ESTIMATING WILL BE
[01:52:09] DOWN 61 PERCENT FOR THE YEAR. EACH OF THOSE INVOLVES A
[01:52:12] DIFFERENT SPREAD AND A MONTH-BY-MONTH BASIS. BUT ON A

[01:52:15] YEAR-TO-DATE BASIS, YOU KNOW, WE STILL HAD WHAT I WOULD
[01:52:18] DESCRIBE AS TWO TO TWO AND A HALF MONTHS. IT'S A VERY STRONG
[01:52:22] PERFORMANCE AT THE BEGINNING OF THE YEAR AND THEN OBVIOUSLY
[01:52:25] THINGS STARTED TO FALL OFF. AND YOU KNOW, OVERALL I THINK THAT
[01:52:31] THE BUSINESSES HAVE VARIED TO SOME EXTENT. YOU CAN ACTUALLY
[01:52:35] MAKE AN ARGUMENT THAT THE PARKING REVENUE ON A PER
[01:52:39] PASSENGER BASIS IS ACTUALLY SLIGHTLY HIGHER IN SOME
[01:52:42] CASES. I THINK WE'LL SEE THE SAME FROM A DINING AND RETAIL
[01:52:45] STANDPOINT AS WELL. BUT OVERALL
[01:52:49] I THINK THE KEY IS THE FORECAST IS DRIVEN BY THE
[01:52:53] PASSENGER LEVEL AND THAT'S WHERE IF WE'RE BASING IT ON THE
[01:52:57] 61 PERCENT DOWN, YOU KNOW, THE YEAR-END ESTIMATE IS REALLY
[01:53:01] DRIVEN BY THAT. AND OBVIOUSLY THE SECOND HALF OF THE YEAR, HOW
[01:53:05] WE RECOVER, YOU KNOW, THAT'S GOING TO BE TREMENDOUSLY
[01:53:09] IMPORTANT TO DRIVING OUR OVERALL PERFORMANCE. BORGEN THAT
[01:53:14] IS REALLY REALLY HELPFUL. THANK YOU SO MUCH FOR CALLING THAT
[01:53:17] OUT. AND
[01:53:18] BECAUSE WHAT I'M HOPING THAT IS WE'RE PREPARING THE 2021
[01:53:22] BUDGET THAT WE'RE ABLE, I UNDERSTAND WE HAVE TO START
[01:53:25] SOMEWHERE AND ENPLANEMENTS, IT MAKES PERFECT SENSE. YOU HAVE
[01:53:30] TO JUST PICK A NUMBER AND PROJECT OUT FROM THERE. BUT I'M
[01:53:33] ALSO HOPING THAT AT THE AIRPORT IN PARTICULAR THAT WE CAN MAYBE
[01:53:36] TAKE A DEEPER DIVE AND THINK ABOUT THE FUNCTIONALITY OF THE
[01:53:40] BUSINESS LINES. YOU KNOW, FOR EXAMPLE, THERE'S NO LONGER
[01:53:43] FOOD, YOU KNOW ON FLIGHT. SO YES, IT WOULD BE PROBABLY A
[01:53:48] REASONABLE ASSUMPTION THAT FOR THOSE PASSENGERS THAT ARE
[01:53:50] FLYING, THEY'RE MORE LIKELY TO EAT AT THE AIRPORT. WE'VE ALSO
[01:53:54] SEEN FOR EXAMPLE, WE'VE ALWAYS EXPECTED A VERY HIGH INCREASE
[01:53:58] IN OUR TNCS, UBER, AND LYFT FOR THE PUBLIC AND YET NOW WE'RE
[01:54:04] SEEING ENORMOUS DECREASE IN THAT MODE OF TRANSPORTATION
[01:54:07] BUT AN UPTICK IN PERSONAL RENT-A-CARS ON THE OTHER SIDE.
[01:54:12] SO I'M HOPING THAT AS WE PUT TOGETHER THE BUDGET THAT SOME
[01:54:16] OF THOSE ASSUMPTIONS CAN BE CALLED OUT AND WE'RE NOT JUST
[01:54:19] USING THAT COMMON DENOMINATOR OF ENPLANEMENTS TO
[01:54:24] MAKE PROJECTIONS. I JUST THINK IT WOULD BE REALLY LIKE TO
[01:54:27] UNDERSTAND THE STAFF'S THINKING ABOUT HOW EACH LINE OF BUSINESS
[01:54:31] MIGHT PROCEED. ALL RIGHT, THANK YOU COMMISSIONER. WE WILL MAKE
[01:54:34] SURE WE ILLUMINATE THAT FOR YOU. AND WE'RE DOING THE BEST WE CAN
[01:54:39] TO DO THAT AND TO RECOGNIZE WHAT'S ACTUALLY HAPPENING ON A
[01:54:43] MONTH-BY-MONTH BASIS. SO WE UNDERSTAND HOW THE BUSINESSES
[01:54:46] ARE CHANGING AND HOW WE CAN USE THAT INFORMATION TO DRIVE OUR
[01:54:49] ASSUMPTION. SO WE'LL MAKE A POINT OF THAT AT BUDGET TIME
[01:54:52] TO LET YOU KNOW WHAT WE'RE SEEING AND HOW WE'RE USING THAT
[01:54:54] INFORMATION TO DRIVE OUR ASSUMPTIONS. THANK YOU.
[01:54:58] EXCELLENT. CONTINUE WITH COMMISSIONER QUESTIONS AND
[01:55:02] COMMENTS. CERTAINLY. COMMISSIONER CALKINS.
[01:55:11] COMMISSIONER CALKINS, FOR ANY COMMENTS OR QUESTIONS ON THIS
[01:55:13] ITEM? I JUST GOT COMMISSIONER CALKINS THE UNMUTE PROMPT.
[01:55:20] MIGHT NEED TO DO THAT AGAIN.
[01:55:23] THANK YOU, LAUREN.
[01:55:28] I WAS ON THERE FOR A MOMENT AND IT BOUNCED BACK. WE CAN HEAR YOU
[01:55:32] NOW.
[01:55:33] CAN YOU HEAR ME? YES, GREAT. THANK YOU BORGEN FOR THE
[01:55:37] PRESENTATION AND IT IS ENCOURAGING TO SEE SOME
[01:55:44] CONCRETE NUMBERS THAT HAVE STARTED TO TURN IN THE RIGHT
[01:55:47] DIRECTION A LITTLE BIT BETTER THAN WE FORECAST. I, TOO, SHARE
[01:55:51] YOUR CONCERN ABOUT THE COMMENTS WE HEARD FROM ALASKA THE OTHER
[01:55:54] DAY ABOUT BOOKINGS FOR AUGUST AND SEPTEMBER. WE ARE VERY
[01:55:58] MUCH IN A WAIT-AND-SEE KIND OF MOMENT HERE. BUT I THINK THAT
[01:56:03] MIGHT BE SOMEWHAT COUNTERACTED BY THE LAST TWO WEEKS OF
[01:56:08] NATIONWIDE COVID NUMBERS DROPPING WHICH I THINK HAVE THE
[01:56:11] GREATEST IMPACT ON OUR OVERALL PASSENGER LEVELS. BUT YEAH, I
[01:56:16] MEAN, I THINK WHAT CONTINUES TO BE FOR ME THE RULE, THE MAIN

[01:56:22] RULE OF THE GAME FOR BUDGETING THIS YEAR IS FLEXIBILITY AS WE
[01:56:25] MOVE FORWARD. I SUSPECT THAT THE TIME WE FINALIZE OUR BUDGET
[01:56:29] AND LATE FALL THERE WILL BE SIGNIFICANT NEW INSIGHTS INTO
[01:56:34] THE
[01:56:36] SPREAD OF THE DISEASE, THE CONCLUSION THE PANDEMIC
[01:56:39] HOPEFULLY AS A LIGHT AT THE END OF THE TUNNEL AT THAT POINT AND
[01:56:42] WE MAY NEED TO MAKE SOME ADJUSTMENTS OVER THESE NEXT FEW
[01:56:46] MONTHS. BUT I GENUINELY APPRECIATE THE GREAT WORK YOU
[01:56:49] GUYS HAVE DONE TO KEEP US UP-TO-DATE. THAT'S IT.
[01:56:54] THANK YOU. COMMISSIONER CHO FOR ANY COMMENTS.
[01:56:58] NO, I DON'T HAVE ANY QUESTIONS
[01:57:01] BUT WANT TO POINT OUT THAT AND REMIND EVERYONE
[01:57:05] THAT YOU KNOW, WE'RE WORKING UNDER EXTREME UNCERTAINTY AND I
[01:57:08] THINK THAT THE FACT THAT WE'RE IN A BETTER PLACE FINANCIALLY
[01:57:13] THAN WE EXPECTED IS A TESTAMENT TO HOW WELL WE FORECASTED AND
[01:57:17] PLANNED FOR THE SITUATION DESPITE THE FACT THAT COVID CASES KEEP
[01:57:21] GOING UP IN OUR REGION AND RECOVERY IS SLOWER THAN MAYBE
[01:57:24] SOME OF US EXPECTED. SO I REALLY WANT TO COMMEND THE TEAM
[01:57:27] DAN AND BORGEN AND EVERYONE ELSE WHO HAVE BEEN KIND OF
[01:57:31] WORKING DAY IN AND DAY OUT TO MAKE SURE THAT WE'RE IN A GOOD
[01:57:33] PLACE. SO I REALLY APPRECIATE THAT AND I HOPE EVERYONE ELSE
[01:57:35] APPRECIATES IT AS WELL.
[01:57:38] THANK YOU. COMMISSIONER FELLEMAN FOR ANY COMMENTS?
[01:57:45] COMMISSIONER FELLEMAN, WE CANNOT HEAR YOU.
[01:57:52] GREAT. SORRY, I JUST WANTED TO CONCUR WITH
[01:57:55] COMMISSIONER CHO'S COMMENDATIONS TO THE STAFF'S
[01:57:59] JUDICIOUS BUDGETING.
[01:58:02] AND I WAS JUST WONDERING WHETHER WE HAVE HEARD ANY
[01:58:05] INDICATIONS AS TO ANY OF OUR ADRS INABILITY TO
[01:58:11] TO YOU KNOW, PAY THE DEFERRED PAYMENTS AND HOW MUCH
[01:58:15] WE HAVE
[01:58:16] FACTORED IN THE POTENTIAL OF SOME OF THAT SORT OF DEFAULT ON
[01:58:19] PAYMENTS? AND THEN THE OTHER QUESTION WAS,
[01:58:24] YOU KNOW, THIS THIS LETTER THAT WE HAVE RECEIVED FROM THE
[01:58:27] AIRLINES HAS BEEN REPORTED ON AND ACCUSATIONS
[01:58:32] THAT WE SHOULD OPERATE AS A QUOTE-UNQUOTE
[01:58:35] NONPROFIT ORGANIZATION AS TO WHETHER I KNOW WE'RE ANALYZING
[01:58:39] THAT SORT OF THING. BUT IF THERE HAVE BEEN ANY THOUGHTS IN
[01:58:42] TERMS OF ITS POTENTIAL IMPACT ON THESE FORECASTS?
[01:58:51] FIRST QUESTION WAS YOU KNOW, DO WE HAVE ANY INDICATION THAT OUR
[01:58:54] AIRPORT DINING AND RETAIL CUSTOMERS WILL NOT BE ABLE TO
[01:58:58] PAY THE DEFERRED RENT. AT THIS POINT. I'M NOT AWARE OF ANY.
[01:59:02] OBVIOUSLY WE'LL BE MONITORING THAT. IN TERMS OF
[01:59:06] THE LETTER WE RECEIVED FROM THE AIRLINES, WE HAVE
[01:59:10] RESPONDED BACK TO THAT WITH SOME QUESTIONS THAT WE WANTED
[01:59:13] TO HAVE CLARIFIED. THERE WERE SOME ELEMENTS OF THAT WE DIDN'T
[01:59:17] FULLY UNDERSTAND BUT NO AT THIS POINT, OUR FORECASTS ARE BASED
[01:59:23] ON THE EXISTING ASSUMPTIONS THAT WE'RE IN ESSENCE FOLLOWING
[01:59:28] OUR LEASE AGREEMENT WITH THE AIRLINES IN TERMS OF HOW DO WE
[01:59:31] CALCULATE REVENUES AND OUR EXPECTATIONS OF THOSE REVENUES
[01:59:35] ARE PAID.
[01:59:39] THAT WOULD HELP. THANK YOU VERY MUCH.
[01:59:43] THANK YOU. AND THEN COMMISSIONER STEINBREUCK FOR COMMENT?
[01:59:46] WELL, THANK YOU. I APPRECIATE THIS HIGH-LEVEL OVERVIEW AND
[01:59:52] THE ADDITIONAL DETAILED INFORMATION WAS
[01:59:56] PROVIDED IN OUR MEMO. IT STRIKES ME THAT WHAT WE'RE
[02:00:01] HEARING IS THAT WE HAVE BEEN MEETING THE CHALLENGES OF
[02:00:07] THIS UNPRECEDENTED CRISIS BOTH HEALTH AND FINANCIAL
[02:00:11] AFFLICTING, YOU KNOW NOT JUST US BUT THE STATE, THE WORLD.
[02:00:23] ON THE GOOD SIDE HERE, I THINK WE CAN ATTRIBUTE
[02:00:26] THAT OUR NUMBERS TO FISCAL PRUDENCE AND STRONG FINANCIAL
[02:00:34] MANAGEMENT THAT IS CONTINUING AND AT THE SAME TIME CURTAILING
[02:00:39] SOME OF OUR EXPENSES APPROPRIATELY AND WITH

[02:00:42] FORETHOUGHT. HOLDING THE LINE ON HIRING VACANT POSITIONS AND
[02:00:49] CONSIDERING DELAYING PROJECTS WHERE PRUDENT AND APPROPRIATE
[02:00:55] AND ACCELERATING OTHERS. SO ALL IN ALL I THINK
[02:00:58] WE'RE ON THE RIGHT COURSE HERE,
[02:01:02] AND I THINK WE'RE DOING A GREAT JOB. SO THANK YOU TO OUR ALL OF
[02:01:07] OUR STAFF AND MANAGEMENT TEAM HERE.
[02:01:13] THANKS. IF THERE ARE NO MORE QUESTIONS ABOUT AVIATION
[02:01:16] WE'LL MOVE TO KELLY TO TALK ABOUT MARITIME AND
[02:01:20] ECONOMIC DEVELOPMENT DIVISION. OKAY.
[02:01:30] GOOD AFTERNOON COMMISSIONERS. CAN YOU ALL HEAR ME? OKAY.
[02:01:38] NEXT SLIDE, PLEASE?
[02:01:43] TODAY THIS IS THE FIRST TIME WE'RE GOING TO BE GOING THROUGH
[02:01:47] SORT OF AN EDUCATIONAL WALK THROUGH ALL THE NON-AVIATION
[02:01:50] DIVISIONS. THE FIRST SLIDE THAT WE PUT TOGETHER HERE WAS SORT
[02:01:53] OF THE ROLL-UP OF THESE DIVISIONS.
[02:01:58] AND YOU'LL SEE SORT OF HOW THEY INTERACT WITH EACH OTHER AND
[02:02:02] THEN WE'LL GO THROUGH. SO WE'LL START OUT WITH THIS SLIDE, THEN
[02:02:05] WE'LL GO THROUGH THE MARITIME AND STORMWATER AND THEN WE'LL
[02:02:08] TALK ABOUT THE JOINT VENTURE AND THEN WE'LL GO INTO ECONOMIC
[02:02:11] DEVELOPMENT. SO THIS SLIDE YOU ARE LOOKING AT IS THE P&L ROLL
[02:02:16] UP FOR THE NON-AVIATION DIVISIONS YEAR-TO-DATE COMPARED
[02:02:19] WITH THE REVISED BUDGET. THE REVISED BUDGET WE CREATED LATE
[02:02:23] MARCH FOR EDD AND MARITIME AND THE APPROVED BUDGET FOR THE
[02:02:26] JOINT VENTURE. AS YOU CAN SEE THE NOI SO FAR IS FAVORABLE TO
[02:02:31] REVISED BUDGET. AS MUCH AS WE'D LIKE THAT TO CARRY FORWARD INTO
[02:02:35] THE BACK HALF OF THE YEAR, THERE ARE THREE KEY ITEMS THAT
[02:02:39] WILL BE DISCUSSED LATER IN THE PRESENTATION, WHICH WILL
[02:02:42] NEGATIVELY IMPACT THE SECOND HALF. FIRST IS THE SPIKE
[02:02:47] IN EMERGENCY LEAVE IN Q2 FOR MANY MAINTENANCE EMPLOYEES
[02:02:51] CREATED A LOWER PROPORTION OF DIRECT CHARGED HOURS.
[02:02:56] MAINTENANCE EXPENSE WILL BE MADE UP IN THE SECOND HALF OF
[02:02:59] THE YEAR BY A HIGHER BURDEN RATE FOR THE PROJECT. SO YOU'LL
[02:03:02] SEE ACROSS THE BOARD TYPICALLY WERE UNDER IN THE FIRST HALF
[02:03:05] AND THAT WILL BE A KIND OF A CATCH UP IN THE SECOND HALF.
[02:03:08] SECOND TIMING AND ACCRUAL OF INVOICES SUCH AS SECURITY AND
[02:03:12] OTHER OUTSIDE SERVICES. I KNOW FOR COMMISSIONER BOWMAN
[02:03:16] AND SOME OF YOU THAT HAVE BEEN HERE A LITTLE LONGER, YOU SEE
[02:03:18] TYPICALLY WE'RE UNDER A BIT IN FIRST QUARTER AND THEN WE CATCH
[02:03:21] BACK UP TOWARDS THE END OF THE YEAR. AND THEN THIRD IS THE
[02:03:26] TIMING OF CRANE REMOVAL AT HUSKY TERMINAL. IT'S ABOUT 2.6
[02:03:30] MILLION DOLLAR ALLIANCE IMPACT WITH ABOUT 1.3
[02:03:35] GOING TO PORT OF SEATTLE JOINT VENTURE. THAT WAS PLANNED
[02:03:41] IN Q2 AND THAT WILL BE DEFERRED TILL
[02:03:45] LATER IN THE YEAR GIVING US A LITTLE MORE FAVORABLE
[02:03:49] [INAUDIBLE]
[02:03:52] NEXT SLIDE.
[02:03:59] NEXT SLIDE PLEASE.
[02:04:05] OKAY.
[02:04:07] SO AS YOU CAN SEE HERE, REVENUE IS EXPECTED TO
[02:04:17] COME IN ABOUT 2.2 MILLION UNFAVORABLE TO THE REVISED
[02:04:22] BUDGET AND EXPENSES ABOUT 1 MILLION FAVORABLE. OBVIOUSLY
[02:04:28] THERE'S NO RETURN TO THE CRUISE BUSINESS IN 2020 THAT'S DRIVING
[02:04:32] THE UNFAVORABLE VARIANCE. YOU CAN SEE FISHING, COMMERCIAL, AND
[02:04:37] RECREATIONAL MARINAS ARE SEEING A LITTLE IMPACT. WE'VE
[02:04:40] ACTUALLY BEEN FAIRLY FAVORABLE IN THE ELLIOTT BAY MORE OF
[02:04:45] OUR COMMERCIAL BUSINESSES. AND AS JO MENTIONED EARLIER,
[02:04:48] RECREATIONAL BOATING IS REALLY CATCHING UP THE LAST COUPLE OF
[02:04:52] MONTHS. IT STARTED OUT WITH A LITTLE LOWER OCCUPANCY
[02:04:56] AND IT'S REALLY CAUGHT RIGHT BACK UP TO MORE OF OUR TYPICAL
[02:05:01] RUN RATE.
[02:05:03] SOME COST SAVINGS. WE GET THE ELIMINATION OF THE PORT VALET
[02:05:07] AND FURTHER CUTS IN CENTRAL SERVICES.
[02:05:10] THE CAPITAL SPENDING IS FORECAST TO BE AHEAD OF REVISED

[02:05:14] BUDGET YEAR TO DATE WITH THE T1 17 RESTORATION ADVANCING FASTER
[02:05:19] THAN PLANNED. OUR CONTRACTOR ACTUALLY HAD A FAIRLY
[02:05:23] AGGRESSIVE SCHEDULE. WHETHER OR NOT WE MEET THAT TO BE
[02:05:26] DETERMINED BUT WE'VE GOT IT FORECAST TO COME IN AHEAD OF
[02:05:30] REVISED BUDGET. NEXT SLIDE PLEASE.
[02:05:41] THIS A BRIEF SUMMARY OF THE YEAR-TO-DATE RESULTS.
[02:05:44] DETAILS BY BUSINESS LINE ARE IN SLIDES 61 THROUGH 67 IN THE
[02:05:51] APPENDIX.
[02:05:53] REVENUE IS TRACKING SO FAR TO REVISED BUDGET, BUT DOWN
[02:05:58] FROM LAST YEAR AS EXPECTED WITH NO CRUISE SAILINGS. EXPENSES ARE
[02:06:03] BELOW REVISED BUDGET YEAR TO DATE BASED ON MAINTENANCE AND
[02:06:07] INVOICING ISSUE I DISCUSSED EARLIER. WE ARE FLAT WITH
[02:06:12] 2019 WITH A 1 MILLION DOLLAR PAYMENT TO THE ALLIANCE FOR T46
[02:06:17] OFFSET BY THE COST-CUTTING INITIATIVES AND SAVINGS FROM
[02:06:20] PORT VALET.
[02:06:25] AND FOR CAPITAL WE SPENT ABOUT 10 MILLION DOLLARS
[02:06:29] THROUGH THE FIRST HALF OF THE YEAR. MOSTLY ON SHILSHOLE BAY
[02:06:32] SERVICE BUILDINGS AND ARE
[02:06:35] FORECASTING ABOVE BUDGET AS T 117 CONSTRUCTION RAMPS UP THE
[02:06:39] BACK HALF OF THE YEAR. AND THE STORM WATER UTILITY REVENUE AND
[02:06:45] EXPENSES ARE EACH TRACKING FAVORABLE TO BUDGET.
[02:06:50] NEXT SLIDE.
[02:06:54] OKAY, HERE IS A SUMMARY OF THE EVENTS AND ACHIEVEMENTS FOR Q2.
[02:07:04] AS YOU CAN SEE MOST OF THE WORK CENTERED AROUND MANAGING
[02:07:07] COVID-19 NEEDS OF OUR CUSTOMERS AND FACILITIES. ADDITIONALLY A
[02:07:13] LOT OF WORK FROM THE ENVIRONMENTAL OPERATIONS AND
[02:07:16] FINANCE TEAMS AS WE STRIVE TO IMPROVE THE ENVIRONMENTAL
[02:07:19] QUALITY OF THE PUGET SOUND AND UTILIZE AVAILABLE FUNDING
[02:07:23] OPTION TO THE PORT. FURTHER DETAILS ARE AVAILABLE ON SLIDES
[02:07:28] 98 AND 69 FOR THIS.
[02:07:32] NEXT SLIDE.
[02:07:37] HERE'S A P&L FOR THE STORM WATER UTILITY YEAR TO DATE. AS
[02:07:41] YOU CAN SEE, IT'S TRACKING TO BUDGET AS THE MAINTENANCE
[02:07:45] VARIANCE WILL LIKELY CLOSE IN THE SECOND HALF OF THE YEAR.
[02:07:48] WE'LL BE WORKING WITH OUR CONSTITUENTS OVER THE NEXT
[02:07:51] MONTH TO FORM A BASIS FOR FUTURE PLANNED RATES.
[02:07:55] NEXT SLIDE.
[02:08:07] OKAY, HERE'S A SLIDE WITH THE SUMMARY OF THE NORTHWEST
[02:08:10] SEAPORT ALLIANCE. THE BIG TAKEAWAY HERE IS THAT CONTAINER
[02:08:14] VOLUMES YEAR-TO-DATE ARE ABOUT 19 PERCENT BELOW BUDGET. GIVEN
[02:08:18] THE ALLIANCE ACTS AS THE OPERATOR ON THE SOUTH HARBOR,
[02:08:21] THEY ARE SEEING SOME VARIABLE COST SAVINGS ALONG WITH GENERAL
[02:08:24] COST REDUCTION INITIATIVES AND MEASURES. OVERALL ABOUT 42
[02:08:29] MILLION OF OPERATING INCOME WITH ABOUT HALF OF THAT
[02:08:31] DISTRIBUTED TO THE JOINT VENTURE WHICH IS WHAT WE'RE
[02:08:37] CALLING OUR PORTION OF THE NORTHWEST SEAPORT ALLIANCE AND
[02:08:40] YOU'LL SEE HOW THAT WINDS DOWN IN THE NEXT SLIDE.
[02:08:45] PLEASE.
[02:08:49] OKAY. SO HERE'S A SUMMARY OF WHAT WE CALL THE JOINT VENTURE.
[02:08:53] I'LL KIND OF WALK IT THROUGH. IT CONTAINS
[02:08:56] BOTH
[02:08:58] THE DISTRIBUTION, LIKE THE FIRST LINE YOU SEE THERE IS THE
[02:09:01] REVENUE DISTRIBUTION WE GET FROM THE NORTHWEST SEAPORT
[02:09:04] ALLIANCE AND THEN THE CONTRA JOINT VENTURE REVENUE THAT YOU
[02:09:09] SEE BELOW THAT IS BASICALLY HALF OF THE PAYMENT THAT WE
[02:09:14] MAKE TO THE SEAPORT ALLIANCE FOR LEASING T46 COMES BACK IN
[02:09:20] THE TERMS OF CONTRA REVENUE. THE OTHER SERVICE IS TENANT
[02:09:24] REIMBURSEMENTS AND THEN THERE'S SOME REVENUE I THINK
[02:09:27] IT'S MOSTLY DUE TO FOSS
[02:09:29] TIE-UPS ON WHAT IS NOW THE PORT OF SEATTLE PART OF T46, THE
[02:09:35] NORTHWEST PART OF T46. AND THE EVENT AND THE EXPENSES ARE
[02:09:40] MOSTLY MAINTENANCE EXPENSES RELATED TO THE REIMBURSABLE'S
[02:09:43] AND THEN SOME OF THE JOINT VENTURE DIRECT. ONE OF THE

[02:09:47] THINGS YOU WILL SEE IN THE 2021 BUDGET HERE IS THAT MANY
[02:09:52] OF THE ENVIRONMENTAL AND SUSTAINABILITY COSTS ASSOCIATED
[02:09:56] WITH REMEDIATION WILL END UP IN THIS BUCKET AS WELL, THE JOINT
[02:10:01] VENTURE BUCKET, BECAUSE WE'RE NOT ALLOWED TO CHARGE THOSE TO
[02:10:04] THE SEAPORT ALLIANCE VIA THE CHARTER. AND I THINK THAT'S
[02:10:09] IT FOR THE MARITIME IF YOU WANTED TO ASK QUESTIONS NOW OR
[02:10:13] WAIT UNTIL WE FINISH WITH ECONOMIC DEVELOPMENT. SO LET'S
[02:10:18] CONTINUE. OKAY NEXT SLIDE. WILL DO. COMMISSIONER
[02:10:23] STEINBREUCK, COMMISSIONER BOWMAN INDICATED. SHE DID HAVE A
[02:10:26] QUESTION RELATING TO ONE OF THESE SLIDES. ALL RIGHT. LET'S
[02:10:30] GO TO COMMISSIONER BOWMAN. THANK YOU.
[02:10:35] ALL RIGHT. LET ME GET HER UNMUTED. AND AN ADDITION, I
[02:10:39] DO BELIEVE DAVID MCFADDEN WOULD LIKE TO BE UNMUTED.
[02:10:44] GREAT. THANK YOU. THANKS KELLY FOR THIS. THE QUESTION I HAVE,
[02:10:47] I THINK IT'S MAYBE MORE STEPHANIE JONES STEBBINS
[02:10:51] COULD ANSWER IT. BUT COULD YOU JUST GO INTO A LITTLE MORE
[02:10:53] DETAIL ON YOUR FORECASTING FOR CRUISE? SO I'M LOOKING AT
[02:10:58] SPECIFICALLY IN THE APPENDIX PAGE 20. AND WE HAVE OUR 2020
[02:11:03] APPROVED BUDGET FOR MARITIME. AND THEN THE REVISED BUDGET. ALL
[02:11:07] OF THOSE NUMBERS ARE THE SAME. THE APPROVED BUDGET VERSUS THE
[02:11:10] REVISED BUDGET ON THE REVENUE SIDE OF THINGS WITH THE
[02:11:13] EXCEPTION OF A SMALL HAIRCUT FOR RECREATIONAL BOATING WHICH
[02:11:16] WE'VE ALREADY TALKED ABOUT WHICH IS DOING BETTER THAN
[02:11:19] EXPECTED. BUT OBVIOUSLY CRUISE THE FORECAST IS STILL
[02:11:24] FOR 4.2. CAN YOU TALK ABOUT WHAT CRUISE ACTUALS ARE AND
[02:11:31] WHERE EXACTLY WE GET THE REVENUES FROM CRUISE FROM.
[02:11:36] DOES THAT MAKE SENSE? SURE. I'LL LET STEPHANIE TALK THROUGH
[02:11:40] THAT ONE. ACTUALLY. YEAH, THANK YOU. AND I'M JUST GOING TO PULL
[02:11:43] UP SLIDE 20 TO MAKE SURE I CAN SPEAK SPECIFICALLY TO WHAT
[02:11:47] YOU'RE SAYING. SO OKAY, WAIT, SOMEBODY WILL DO IT FOR ME.
[02:12:06] WHEN WE LOOK AT THE OUR YEAR-END. WE AS YOU KNOW, WE ARE
[02:12:10] NOT ANTICIPATING ANY CRUISE BUSINESS THE REST OF THIS YEAR.
[02:12:18] THERE IS A LEASE PAYMENT FOR FOR PIER 66 THAT IS STILL
[02:12:24] INCLUDED IN OUR YEAR-END FORECASTS. AND THAT IS THE FOUR
[02:12:26] MILLION DOLLAR NUMBER. OKAY. THAT'S WHAT THAT IS. IS THE 4
[02:12:30] MILLION FOR 66 FOR NCL. YEP. OKAY, GREAT. THAT'S ALL I NEED
[02:12:34] TO KNOW. THANK YOU.
[02:12:37] OTHER COMMISSIONERS BEFORE WE MOVE ON?
[02:12:40] WE CAN MOVE ON TO A COMMISSIONER CALKINS IF HE HAS
[02:12:42] ANY COMMENTS?
[02:12:46] NONE RIGHT NOW.
[02:12:49] COMMISSIONER CHO.
[02:12:51] I'M GOOD. THANK YOU. COMMISSIONER FELLEMAN.
[02:12:59] HAVE WE GOTTEN ANY FURTHER REQUESTS FOR DEFERMENTS OR
[02:13:04] THINGS OF THAT SORT
[02:13:07] FROM OUR TENANTS IN THE MARITIME?
[02:13:11] .
[02:13:17] YEAH, THANKS COMMISSIONER.
[02:13:21] THE ANSWER IS AS THE CRISIS CONTINUES, YES. WE ARE
[02:13:26] RECEIVING REQUESTS BOTH ON THE WATER SIDE AS WELL AS ON THE
[02:13:31] LAND SIDE AND WE DEAL WITH THEM AS THEY COME YOU DID HEAR JO
[02:13:37] SAY EARLIER THAT ON THE RECREATIONAL SIDE WE'VE GOT
[02:13:42] ABOUT 30 SOME CUSTOMERS THAT WE HAVE DEFERRED AND ON THE
[02:13:48] FISHING SIDE ABOUT 13 CUSTOMERS THAT WE HAVE
[02:13:53] DEFERRED MOORAGE FOR AND THEN I BELIEVE YOU'RE PROBABLY UP TO
[02:13:57] DATE ON THE LAND SIDE. DAVE COULD SPEAK MORE TO THAT AS
[02:14:02] WELL BUT THERE ARE SEVERAL CUSTOMERS THAT ARE ASKING FOR
[02:14:06] DEFERRAL AND OTHER SUPPORT.
[02:14:10] SO IS IT ONLY NCL THAT HAS
[02:14:16] LEASE OBLIGATIONS OR WASN'T THERE ANY SORT OF
[02:14:19] MINIMUM MAGS FOR THE OTHER LINES AT 91? ONLY NCL HAS A
[02:14:26] LEASE PAYMENT. THE REST WE DO HAVE LONG-TERM AGREEMENTS.
[02:14:34] AND I'M HAPPY TO SHARE MORE

[02:14:37] INFORMATION WITH THE COMMISSION OFFLINE.
[02:14:42] VERY GOOD.
[02:14:44] THANK YOU. AND THEN COMMISSION PRESIDENT. I'M NOT SURE IF MR.
[02:14:47] MCFADDEN HAD A COMMENT TO ADD. HEY DAVE. NO, I CAN JUST ADD
[02:14:53] TO STEFANIE'S COMMENT IN THE CONTEXT OF OUR PRESENTATION
[02:14:56] COMING UP. THANK YOU. ALRIGHT. THANKS DAVE. LET'S CONTINUE. I
[02:14:59] HAVE NO QUESTIONS AT THIS TIME.
[02:15:05] NEXT SLIDE PLEASE.
[02:15:15] OKAY,
[02:15:19] EDD IS FORECAST TO SLIGHTLY EXCEED NET OPERATING INCOME
[02:15:23] VERSUS THE REVISED BUDGET FOR THE YEAR. CONFERENCE AND EVENT
[02:15:26] CENTER VOLUMES ARE EXPECTED LOWER THAN WHAT WE PREDICTED IN
[02:15:30] MARCH, BUT ABOUT 80 TO 85 PERCENT OF THAT IS MADE UP BY
[02:15:34] REDUCED VARIABLE COSTS.
[02:15:37] THERE WERE 47 RELIEF REQUESTS EXECUTED WITH WATERFRONT
[02:15:42] TENANTS AS ELIZABETH STATED LAST WEEK, WE DID BUILD SOME
[02:15:45] CUSHION INTO OUR CASH FLOW FORECAST TO ACCOUNT FOR THE
[02:15:48] RISK THAT SOME OF THE THESE TENANTS MAY NOT BE ABLE TO
[02:15:51] REBOUND. I DON'T KNOW IF DAVE WANTED TO ELABORATE FURTHER ON
[02:15:55] THIS?
[02:15:57] I'LL DO IT ON THE NEXT SLIDE.
[02:16:00] NEXT SLIDE, PLEASE.
[02:16:05] YEAR-TO-DATE NOI IS FAVORABLE TO REVISED BUDGET AND DOWN FROM
[02:16:09] 2019.
[02:16:12] REVENUE IS A MILLION BELOW REVISED BUDGET AND 5 MILLION
[02:16:18] BELOW 2019. CONFERENCE AND EVENT CENTER VOLUMES ARE THE KEY
[02:16:23] DRIVER WITH BELL STREET PARKING DOWN AS WELL. EXPENSES ARE THREE
[02:16:29] MILLION FAVORABLE DUE TO TIMING OF MAINTENANCE EXPENSES ALONG
[02:16:33] WITH PROGRAM SPIN AND CONFERENCE VOLUMES, WHICH
[02:16:37] ALSO DRIVE THE REDUCTION FROM 2019/
[02:16:41] THE ECONOMIC DEVELOPMENT DIVISION SPENT ABOUT 72% OF THE
[02:16:45] REVISED BUDGET IN THE FIRST HALF OF THE YEAR AND
[02:16:47] FORECASTING 79% BY THE END. THAT IS MOSTLY ATTRIBUTED TO
[02:16:52] THE CONFERENCE AND EVENT CENTER MODERNIZATION PROJECT.
[02:16:58] NEXT SLIDE PLEASE.
[02:17:03] SO HERE I'LL COME IN AND GIVE YOU SOME HIGHLIGHTS OF OUR
[02:17:09] MILESTONES. I MADE PROGRESS WITH REAL ESTATE. I KNOW THERE
[02:17:12] WAS A QUESTION ABOUT OUR PROGRESS AT THE FISHING PIER,
[02:17:15] PIER 86. AND WE DID GET AN AGREEMENT GOING WITH DEPARTMENT
[02:17:19] OF FISH AND WILDLIFE AND KIRA IS WRITING A MEMO TO GIVE YOU
[02:17:23] THE COMPLETE DETAILS AROUND OUR WORK WITH DFW AND EXPEDIA ON
[02:17:27] THAT FISHING PIER. AS YOU CAN SEE WE'VE COMPLETED DESIGN ON
[02:17:31] FT PROJECTS, MADE PROGRESS ON OTHER REAL ESTATE DEVELOPMENT.
[02:17:35] BUT REALLY I THINK THE SECOND AND THIRD BILLETS REALLY GIVE
[02:17:38] YOU A SIGNAL OF THE TIMES. OUR STAFF AT PIER 69 HAS BEEN
[02:17:43] INUNDATED JUST WITH KEEPING THE BUILDING SAFE AND HEALTHY AND
[02:17:47] IMPLEMENTING CORONAVIRUS RESPONSE MEASURES. EVERYTHING
[02:17:52] FROM GOOD HYGIENE TO PHYSICAL DISTANCING THROUGHOUT THE
[02:17:55] BUILDING. AND THEN AS KELLY MENTIONED EARLIER WE HAVE
[02:17:59] EXECUTED 47 DIFFERENT
[02:18:03] LEASE DEFERRAL AGREEMENTS. THERE LEAST FIVE TO MY KNOWLEDGE
[02:18:07] STILL COMING WITH MORE VERBAL QUERIES ABOUT RELIEF AS WE PASS
[02:18:13] THE FOUR MONTH MARK OF OUR CURRENT DEFERRAL PROGRAM. AND
[02:18:18] SO WE'RE KEEPING A CLOSE EYE ON THAT. ON A GOOD POSITIVE NOTE,
[02:18:21] WE DID FINISH OUR FIRST MARITIME INNOVATION
[02:18:24] ACCELERATOR. I THINK YOU'VE HEARD THE GOOD NEWS AND RESULTS
[02:18:26] OUT OF THAT PROGRAM IN JULY.
[02:18:29] RON HAS DONE A GOOD JOB CONTINUING TO PROMOTE TOURISM
[02:18:34] ALBEIT CAREFULLY AND REALLY HE DID
[02:18:37] PUT TOGETHER OUR TOURISM RELIEF PARTNERSHIP WITH THE
[02:18:42] WASHINGTON TOURISM ALLIANCE THAT YOU APPROVED AT OUR LAST
[02:18:45] MEETING. AND THEN ON A FINAL NOTE, DIVERSITY AND CONTRACTING,
[02:18:49] WE'RE DOING WELL THERE. I DID ASK STAFF TO LOOK A LITTLE BIT

[02:18:53] MORE AT OUR LOWER CONSTRUCTION UTILIZATION AND I GOT A
[02:18:57] PRELIMINARY ANSWER. THE DUST IS STILL SETTLING AND WE EXPECT TO
[02:19:00] REVISE THAT NUMBER AND I'LL SHARE THAT WHEN I GET IT. THE
[02:19:04] THING THAT I JUST ADD FOR DIVERSITY AND CONTRACTING AND
[02:19:08] FOR JO MEYER, WHO IS ALSO ON MY STAFF IS JUST A KUDO. THEY
[02:19:11] DID A TREMENDOUS AMOUNT OF OUTREACH IN Q2 TO TAKE
[02:19:15] INFORMATION AND ASSISTANCE TO OUR TENANTS AROUND CARES LOAN
[02:19:20] AND OTHER RESOURCES TO HELP IMPACTED SMALL BUSINESSES
[02:19:24] ACROSS THE BOARD. SO
[02:19:26] THERE YOU HAVE IT. A GOOD QUARTER AND HAPPY TO
[02:19:30] ANSWER ANY QUESTIONS.
[02:19:34] COMMISSION PRESIDENT STEINBREUCK, WOULD YOU LIKE ME
[02:19:39] [LAUGHTER] STARTING WITH COMMISSIONER BOWMAN.
[02:19:55] NOTHING RIGHT AT THE MOMENT. THANK YOU. THANK YOU.
[02:19:58] COMMISSIONER CALKINS.
[02:20:02] NOT FOR ME EITHER. THANK YOU. COMMISSIONER CHO. I'M GOOD.
[02:20:09] THANK YOU. COMMISSIONER FELLEMAN.
[02:20:16] COMMISSIONER FELLEMAN, WE CAN'T HEAR YOU.
[02:20:27] I'LL GET THIS ONE OF THESE DAYS. I THINK WE'LL JUST
[02:20:29] LET HIM OFF THE HOOK EASY THIS TIME. NO QUESTIONS. THANK
[02:20:33] YOU. AND THEN THE COMMISSION PRESIDENT STEINBREUCK, ITS BACK
[02:20:35] TO YOU. I APPRECIATE THE PRESENTATION HERE AND ALL THE
[02:20:41] GREAT WORKING THAT'S GOING FORWARD. I HAD A QUESTION?
[02:20:46] OKAY, BACK TO COMMISSIONER FELLEMAN.
[02:20:56] I UNDERSTAND
[02:20:58] NOW THAT WE HAVE
[02:21:00] CLEARED THE SPACE FOR FOR THE GATEWAY BUILDING AND
[02:21:04] THAT WE EMPTIED THE TO NET SHEDS ADJACENT TO IT AND
[02:21:09] MY UNDERSTANDING WAS THAT WE WERE GOING TO USE THE WOOD
[02:21:12] FROM THOSE NICHES PERHAPS AND SOME OF THE OLD GROWTH TOWARDS
[02:21:15] THE INNOVATION CENTER. AND SO I'M JUST WONDERING ABOUT ANY OF
[02:21:19] THE ASSOCIATED EXPENSES
[02:21:23] WITH THAT? I MEAN, I KNOW THERE'S A WHOLE QUESTION ABOUT
[02:21:25] WHICH PROJECT WE WOULD MOVE FORWARD ON. AND I'D LIKE TO
[02:21:27] HAVE A CONVERSATION AT SOME POINT ABOUT JUST THE POTENTIAL
[02:21:31] IF WE DON'T GO FORWARD WITH THE GATEWAY BUILDING WHETHER WE CAN
[02:21:35] JUST
[02:21:36] SORT OF LEVEL THE SITE, MAYBE USE IT FOR PARKING IN THE
[02:21:41] INTERIM AND ALSO MAKING IT MAYBE MORE DESIRABLE
[02:21:45] AS A SOMETHING TO MARKET WHEN YOU CAN SEE THE FULL,
[02:21:52] YOU KNOW, FOOTPRINT THAT A POTENTIAL BUILDING COULD GO IN
[02:21:55] THERE. AND I DON'T KNOW WHETHER WE'RE LOOKING AT POTENTIAL
[02:21:57] EXPENSES ASSOCIATED WITH SITE PREP OR, LIKE I SAID, RECYCLING
[02:22:02] THOSE MATCHES OR ANYTHING LIKE THAT.
[02:22:07] FRED THOSE HAVE BEEN THINGS WE HAVE CONSIDERED. AND
[02:22:12] I WILL TAKE AN IOU TO LOOK INTO THOSE OPTIONS FURTHER AND GET
[02:22:19] BACK TO YOU WITH MORE INFORMATION.
[02:22:23] THANK YOU. IT'S DEFINITELY SOMETHING SHY OF ACTUALLY
[02:22:25] REDEVELOPING. WE CAN MAYBE JUST MAKE USE OF THAT SPACE IN SOME
[02:22:29] WAY.
[02:22:31] THANK YOU. MR. PRESIDENT, I HAVE A QUESTION FROM
[02:22:35] COMMISSIONER BOWMAN AND THEN I HAVE EXECUTIVE DIRECTOR METRUCK
[02:22:38] WAITING TOO. LET'S GO TO BOWMAN THEN. THANK YOU. THANK YOU.
[02:22:43] REALLY QUICKLY DAVE, COULD YOU PROVIDE FOR THE MARITIME
[02:22:47] PORTFOLIO MANAGEMENT, AND I THINK ITS SPECIFICALLY SAYS ON
[02:22:51] PAGE 19 OF THE APPENDIX WHERE IT SAYS IT'S 243,000 LOWER DUE
[02:22:56] TO VACANCY AT THE MICK. WHAT ARE YOU
[02:23:00] ANTICIPATING
[02:23:02] MOVING FORWARD FOR THE REMAINDER OF THE YEAR? ARE WE
[02:23:04] ABLE TO FILL THAT VACANCY OR ARE WE PERHAPS GOING TO SEE
[02:23:08] MORE VACANCIES?
[02:23:11] YOU'RE TALKING ABOUT THE MARITIME INDUSTRIAL CENTER?
[02:23:19] I'D LIKE TO GET BACK ON YOU. I KNOW WE WERE WORKING ON A

[02:23:22] PRETTY CONSIDERABLE DEAL TO REDEVELOP A SIGNIFICANT PORTION
[02:23:25] OF THAT BUILDING AND I WANT TO GET AN UPDATE FROM MELINDA ON
[02:23:29] THAT, OKAY? BECAUSE THAT COULD REALLY TURN AROUND AND HELP
[02:23:32] RESTORE THE OCCUPANCY AND ACTUALLY PUMP THE OCCUPANCY UP
[02:23:36] SUBSTANTIALLY IN THAT FACILITY. SO IF YOU COULD GIVE ME AN IOU
[02:23:39] I'D APPRECIATE IT AND ALL GET AN UPDATE FOR YOU. YEAH,
[02:23:42] ABSOLUTELY. THANK YOU.
[02:23:53] I HAD A QUESTION FOLLOWING UP ON COMMISSIONER BOWMAN'S.
[02:23:56] I KNOW WE WERE HAVING A CONVERSATION DAVID, THERE
[02:24:00] WAS SOME MARITIME TECH FOLKS THAT WERE POTENTIALLY IN NEED
[02:24:05] OF A HOME IN THE NEAR FUTURE AND WE WERE TALKING ABOUT
[02:24:08] POTENTIALLY ABOVE THE HIGHLINER OR SOME OTHER STUFF
[02:24:12] LIKE THAT. I'M WONDERING WHETHER WE'RE GOING TO PURSUE
[02:24:16] THAT CLUSTER OF TENANTS
[02:24:20] WHICH WOULD BE POTENTIALLY FUTURE TENANTS OF THE
[02:24:22] INNOVATION CENTER BUT IN THE INTERIM WHILE [INAUDIBLE]
[02:24:26] FOLKS ARE IN FLUX, ARE WE ARE WE LOOKING INTO THOSE AS
[02:24:29] POTENTIAL NEAR TERM TENANTS?
[02:24:33] THE ANSWER IS YES, FRED. I HAVE NOT SAT DOWN AND TALKED TO
[02:24:36] MEMBERS OF THE COLLABORATORY YET, BUT YOU'VE PLANTED THAT
[02:24:40] SEED WITH ME LAST WEEK AND I DO THINK THAT'S AN OPPORTUNITY TO
[02:24:44] HAVE A CONVERSATION WITH THEM ABOUT WHETHER THEY COULD SET UP
[02:24:48] SHOP AT FISHERMAN'S TERMINAL.
[02:24:53] GREAT. I HAD A QUESTION FOR STEPHANIE AS WELL.
[02:24:57] IT'S REALLY LOOKING AT PROJECTING FORECAST
[02:25:01] FORWARD. BUT
[02:25:03] YOU KNOW, WE RECENTLY LEARNED ABOUT THE POTENTIAL NEED FOR
[02:25:07] ADDITIONAL
[02:25:10] SCREENING TECHNOLOGIES AT THE AT THE CRUISE TERMINALS. AND
[02:25:16] AND I THINK YOU PUT IN LIKE A PLACEHOLDER OF LIKE THREE
[02:25:19] MILLION DOLLARS AND IT STRIKES ME FROM THE PROJECT
[02:25:23] WE'RE DOING AT THE AIRPORT, IT'S SOMETHING ESTIMATED TO
[02:25:27] COST LIKE 12 MILLION DOLLARS. AND THAT'S JUST FOR
[02:25:31] TEMPERATURE CHECKS. SO I'M JUST WONDERING YOU KNOW, IN TERMS OF
[02:25:35] FORECASTING, THIS GOING TO BE A VERY
[02:25:38] MODEST ESTIMATION IF NOT, A
[02:25:43] TREMENDOUS UNDERESTIMATE. I WAS WONDERING WHETHER YOU COULD
[02:25:46] INFORM THAT. YES, THANKS COMMISSIONER. WE ACTUALLY HAVE
[02:25:50] JUST UNDER SEVEN MILLION IN THE CAPITAL BUDGET. AND AS
[02:25:54] YOU DESCRIBED, IT IS SOMEWHAT A PLACEHOLDER. WE ARE WATCHING
[02:25:58] NOT ONLY WHAT THE CRUISE LINES ARE DOING. BUT WHAT THE CDC
[02:26:01] WE HAVE SEVEN MILLION AND THAT IS ABOUT
[02:26:08] AS OTHER PORTS ON WHAT THOSE PROTOCOLS WILL BE.
[02:26:16] ABOUT HALF WHAT THE NUMBER YOU QUOTED FOR THE AIRPORT IS.
[02:26:19] REMEMBER THAT EVEN AT OUR HIGHEST END, WE HAVE ABOUT A
[02:26:24] MILLION PASSENGERS, YOU KNOW, IF YOU COUNT BOTH WAYS AS YOU
[02:26:27] KNOW, WE DO VERSUS YOU KNOW, CONSIDERABLY MORE THAN THAT AT
[02:26:32] THE AIRPORT. SO
[02:26:35] AND THAT WILL BE GETTING FURTHER REFINED AS WE MOVE
[02:26:37] FORWARD.
[02:26:39] AND THAT'S JUST TEMPERATURE CHECKS. SO LOOKING FORWARD TO
[02:26:42] ALL THE OTHER THINGS WE MIGHT HAVE TO GO
[02:26:44] THROUGH. AND THERE WAS ALSO, I'M SORRY, I'VE RINGS
[02:26:48] THIS BEFORE. WE HAD SEVERAL HVAC PROJECTS WHETHER IT BE AT
[02:26:53] 66 AT THE WORLD TRADE CENTER, AND I THOUGHT THERE WAS
[02:26:57] ACTUALLY A 91.
[02:27:00] AND IS THIS COVID WORLD GOING TO REQUIRE US TO UPGRADE THOSE
[02:27:06] SYSTEMS?
[02:27:08] WE DO NOT HAVE AN HVAC SYSTEM FOR THE SMITH COVE
[02:27:14] CRUISE TERMINAL IN THE CAPITAL PLAN
[02:27:19] FOR THE SMITH'S COVE
[02:27:21] CRUISE TERMINAL. SO THOSE ARE ALL THINGS THAT WE'RE
[02:27:25] LOOKING AT GOING FORWARD AND

[02:27:28] WE WILL GET BACK TO YOU ON THE PIER 66 HVAC SYSTEM.
[02:27:36] AND ARE WE DOING WORLD TRADE CENTER AS WELL?
[02:27:39] THAT IS CORRECT.
[02:27:42] UNDERSTANDING IS THAT WE HAD
[02:27:45] ALREADY ORDERED THESE THINGS RIGHT? THESE ARE EITHER IN
[02:27:49] PLACE OR UNDERWAY. I JUST DON'T KNOW WHETHER THIS IS GOING TO
[02:27:52] REQUIRE SOME CONTRACT MODIFICATION OR WHATEVER?
[02:27:57] I WILL TAKE AN IOU, COMMISSIONER. OKAY. I'LL
[02:28:01] CONFIRM THIS FRED. I BELIEVE I GOT AN ANSWER FROM MELINDA
[02:28:04] ALREADY AND I'LL JUST DOUBLE CONFIRM THIS THAT THOSE ARE
[02:28:06] COMPATIBLE WITH THE NEW HEALTH AND SAFETY REQUIREMENTS
[02:28:10] RELATED TO COVID BUT I JUST HAD THAT CONVERSATION WITH HER
[02:28:14] AND I'LL DOUBLE CONFIRM IT AND LET YOU KNOW. AND THE COMMISSION
[02:28:18] PRESIDENT---
[02:28:21] COMMISSIONER FELLEMAN, I'D LIKE
[02:28:26] TO GET A COUPLE OF QUESTIONS IN BEFORE WE MOVE ALONG.
[02:28:29] COMMISSIONED PRESIDENT STEINBREUCK, WE DO HAVE
[02:28:32] EXECUTIVE DIRECTOR METRUCK WAITING TO SPEAK. HE'S BEEN
[02:28:35] WAITING AS WELL. SO LET'S HEAR FROM DIRECTOR METRUCK.
[02:28:38] THANKS. WE'LL GET BACK TO THE COMMISSIONERS ON
[02:28:41] THIS. THANK YOU. MR. PRESIDENT. I WAS JUST GOING TO TRANSITION
[02:28:44] TO THE NEXT SPEAKER, BUT I THINK YOU HAD QUESTIONS HERE. I
[02:28:46] DIDN'T WANT TO CUT OFF THE DISCUSSION. TRYING TO BE PATIENT
[02:28:49] HERE
[02:28:51] AND LET EVERYONE SPEAK. I DID HAVE SOME QUICK
[02:28:54] QUESTIONS IN THE AREA OF THE FINALIZED AGREEMENT ON
[02:28:59] PIER 86 WITH DEPARTMENT OF FISH AND WILDLIFE. THAT HAS BEEN
[02:29:03] A LONG-STANDING ISSUE. IT'S A PUBLIC DOC THAT'S BEEN UNDER
[02:29:07] THE OWNERSHIP, AS MY UNDERSTANDING, OF THE STATE
[02:29:10] DEPARTMENT OF FISH AND WILDLIFE WITH US
[02:29:15] THROUGH A MANAGEMENT AGREEMENT IN THE PAST. I'D LIKE TO KNOW
[02:29:19] WHAT THE COST SHARING IS THERE AND WHEN WE CAN EXPECT THAT
[02:29:22] FACILITY TO BE RETURNED TO PUBLIC USE AND WHAT THE
[02:29:27] DETAILS. AND I'M NOT ASKING FOR IT ALL HERE, IT CAN BE AN IOU
[02:29:32] ON THAT, BUT I THINK WE SHOULD CONTINUE TO KEEP
[02:29:38] THAT AS AN IMPORTANT PUBLIC INTEREST FACILITY THERE THAT
[02:29:43] WE'RE MAKING PROGRESS ON TO RESTORE ITS USE.
[02:29:47] THE SECOND AREA I'M INTERESTED IN IS MAYBE A LITTLE BUNDLING OF
[02:29:51] THE DIVERSITY IN CONTRACTING. APPRECIATE THE
[02:29:56] BUNDLED NUMBERS OF ACHIEVEMENT THERE WITH 14.4
[02:30:01] PERCENT WOMEN MINORITY BUSINESS OWNED UTILIZATION. IN
[02:30:05] NON-CONSTRUCTION I THINK WE NEED TO CONSIDER
[02:30:11] UNBUNDLING SOME OF THAT WITH REGARD TO EQUITY BECAUSE I
[02:30:16] THINK THAT THERE HAS BEEN A PATTERN OF PARTICIPATION.
[02:30:19] I'M SORRY, THERE'S A LOT OF
[02:30:23] BACKGROUND NOISE. I CAN HARDLY HEAR MYSELF TALK. I THINK THAT
[02:30:27] THAT MIGHT BE FROM COMMISSIONER FELLEMAN IF HE IS STILL ON HIS
[02:30:30] MOBILE DEVICE?
[02:30:33] CAN YOU MUTE HIM? I CANNOT. I THOUGHT YOU HAD THE
[02:30:38] POWER OF GOD [LAUGHTER]. I DO WHEN YOU'RE ON DESKTOP NOT
[02:30:42] CURRENTLY THOUGH.
[02:30:46] SO I WANT A DEEPER DIVE ON THE WMBE
[02:30:51] PARTICIPATION AND I THINK THAT THERE IS NOT JUST AN ISSUE
[02:30:56] OF DIVERSITY, IT'S AN ISSUE OF EQUITY AND THE SHARING OF THOSE
[02:31:03] CONTRACTS TO VARIOUS
[02:31:07] SUBGROUPS UNDER THAT CATEGORY. CONVERSELY YOU REPORT THAT 4.7
[02:31:14] PERCENT UTILIZATION IN CONSTRUCTION. I THINK WE'RE
[02:31:19] DOING MUCH BETTER AT THE AIRPORT IN THAT DEPARTMENT
[02:31:24] WITH SOME OF THE SAME ISSUES ABOUT
[02:31:28] EQUITY AND DIVERSITY AND SO UN BUNDLING THAT AND LOOKING A
[02:31:33] LITTLE DEEPER AND MAYBE HONING OUR STRATEGIES TO DIRECT MORE
[02:31:40] WORK IN CONTRACTING MORE EQUITABLY AMONGST THE VARIOUS
[02:31:45] GROUPS THAT ARE REPRESENTED. HAPPY TO HEAR ANY COMMENTS, BUT

[02:31:49] ALSO HAPPY TO HAVE AN IOU ON THOSE TWO TOPICS.
[02:31:54] I GOT YOUR QUESTION PETER AND WE WILL LOOK INTO THAT AND
[02:31:59] WE'LL GET BACK TO YOU WITH THE INFORMATION YOU ARE LOOKING
[02:32:02] FOR. THANK YOU. ALL RIGHT, WE'LL FOLLOW UP. OKAY WITH THAT, I
[02:32:06] THINK WE CAN MOVE ON. PETER YOU BROUGHT UP TWO
[02:32:10] THINGS THAT STRUCK ME ABOUT
[02:32:15] THE AREA ASSOCIATED WITH THE INNER BAY. I MEAN I JUST WANT
[02:32:18] [INAUDIBLE]
[02:32:21] PIER. YEAH, THERE'S TWO QUESTIONS I WAS HAVING ABOUT
[02:32:24] WAS DO WE HAVE ANY UPDATES ON WHAT'S GOING ON AT
[02:32:27] THE ARMORY? BECAUSE THAT HAS DIRECT IMPLICATIONS ABOUT
[02:32:30] WHAT'S GOING ON AT SOBOTA. AND I KNOW WE'RE GOING TO BE
[02:32:33] LOOKING AT THE QUESTIONS ABOUT THE
[02:32:38] ENCAMPMENT THERE, THE TINY HOUSES, I'M SORRY, WHATEVER WE
[02:32:41] CALL IT. AND THEN AND THEN ASSOCIATED WITH THAT IS THE
[02:32:46] LONG DISCUSSED ISSUE ABOUT THE BIKE PATH THAT EXPEDIA WAS
[02:32:51] GOING TO BE INVOLVED WITH PAYING FOR GETTING RID OF THAT
[02:32:54] BLOODY BRIDGE IN THE CAGE FOR THE BIKE PATHS. AND THOSE
[02:32:58] THINGS ARE JUST BEEN OUTSTANDING A LONG TIME AND I
[02:33:00] WOULD LIKE TO KNOW WHETHER THIS CERTAINLY HAS IMPLICATIONS
[02:33:03] ON A REAL ESTATE. ONCE AGAIN. I WILL
[02:33:11] TAKE THE I OWE YOU FOR THE ARMORY UPDATE WORK WITH
[02:33:14] THEM ON THAT. HE'S PROBABLY GOT THEM LATEST UPDATE AND THEN
[02:33:17] STEPHANIE JONES STEBBINS AND I WERE CONSULTING ON THE BIKE PATH
[02:33:20] WE'LL GET SOME NEW DETAILS TO YOU COMMISSIONER
[02:33:23] FELLEMAN ON THAT.
[02:33:28] OKAY, GOOD QUESTIONS. ALL RIGHT. WELL, LET'S MOVE ALONG.
[02:33:32] GREAT. THANKS. WE'LL WILL GET BACK TO YOU ON THOSE
[02:33:35] QUESTIONS WITH MORE DETAILS OF THOSE. LASTLY. WE HAVE MICHAEL
[02:33:41] KONG WHO'S GOING TO TALK ABOUT CENTRAL SERVICES PERFORMANCE OF
[02:33:44] THAT AND THEN WE'LL SUMMARIZE AFTER THAT AND
[02:33:49] SUMMARIZE TAKEAWAYS AS WELL. SO MICHAEL,
[02:33:52] THANK YOU. CAN YOU HEAR ME? YES, OKAY,
[02:33:57] GREAT. NEXT SLIDE, PLEASE.
[02:34:01] SO I'M GOING TO GIVE YOU A QUICK OVERVIEW FINANCIAL
[02:34:04] SUMMARY OF THE CENTER SERVICES
[02:34:08] FOR THE YEAR. WE ARE FORECASTING 1.7
[02:34:13] MILLION ON THE REVENUES OPERATING REVENUE SIDE, WHICH
[02:34:16] IS 1.6 MILLION FAVORABLE WITH THE BUDGET MAINLY BECAUSE WE
[02:34:21] HAVE A
[02:34:22] UNBUDGETED [INAUDIBLE]
[02:34:28] WE USUALLY DON'T BUDGET THOSE, YOU KNOW,
[02:34:33] UNBUDGETED ITEMS. SO THIS IS KIND OF A NICE SURPRISE
[02:34:37] KIND OF REVENUE. ON THE EXPENSIVE SIDE. WE EXPECT 3.2
[02:34:42] MILLION FAVORABLE COMPARED WITH THE REVISED BUDGET MAINLY DUE
[02:34:47] TO OUR HIRING FREEZE AND THE REVISED BUDGET OF THE
[02:34:50] DISCRETIONARY SPENDING CUT AND SOME SPENDING
[02:34:54] DELAY.
[02:34:55] YOU CAN SEE THE CAPITAL DEVELOPMENT AREAS AS
[02:35:00] THE ONLY AREA THAT ARE WE EXPECTING AN UNFAVORABLE
[02:35:04] VARIANCE MAINLY DUE TO LESS CHARGES TO CAPITAL PROJECTS
[02:35:08] THIS YEAR BUT OVERALL PRETTY GOOD NUMBER. ON THE
[02:35:14] CAPITAL SIDE, YOU KNOW, WE ARE EXPECTING A
[02:35:18] FAVOR BUDGET VARIANCE OF 2.9 MILLION FOR THE
[02:35:22] YEAR.
[02:35:24] IF YOU DON'T HAVE A QUESTION WE CAN GO TO THE NEXT SLIDE,
[02:35:27] PLEASE. I HAVE A QUESTION ON THE POLICE BUDGET.
[02:35:31] THIS RELATES TO THE CITY'S INTENTION OF CUTTING THE HARBOR
[02:35:37] POLICE STAFFING WITHIN THE CITY OF SEATTLE POLICE DEPARTMENT.
[02:35:43] IT'S THAT LIKELY TO IMPACT NEGATIVELY OUR OUR LEVEL OF
[02:35:47] STAFFING
[02:35:49] UNDER THE POLICE BUDGET?
[02:35:52] IN OTHER WORDS. ARE WE GOING TO HAVE TO ADD MORE STAFFING TO

[02:35:56] UP FOR THE LOSS IF THE CITY GOES AHEAD IN 2021?
[02:36:02] [INAUDIBLE]
[02:36:05] DEPARTMENT BUDGET AT THIS POINT. WE DO ANTICIPATE
[02:36:09] PROBABLY BE SOME DELAY HIRING FOR SURE AND FROM SAVING IN
[02:36:13] GENERAL FOR SOME OF THE
[02:36:16] THE VACANT POSITIONS.
[02:36:18] SO DETAILS TO COME IN THE NEXT WEEK.
[02:36:23] RIGHT NOW STILL WORKING ON THE BUDGET BUT WE ARE SEEING
[02:36:27] SOME SAVING THIS YEAR AS WELL AS
[02:36:31] REDUCTION COMPARED TO THE REVISED BUDGET NEXT YEAR.
[02:36:35] MAINLY DUE TO THE VACANCIES. YEAH, AND I THINK IF I CAN ADD
[02:36:38] TO THAT MICHAEL, COMMISSIONER ON THAT SPECIFIC WE'D HAVE TO
[02:36:41] ANALYZE. THE STAFF IS ANALYZING THAT NOW
[02:36:45] WITHIN POLICE DEPARTMENT WITH CHIEF VIA. THIS IS A WHAT
[02:36:48] POTENTIAL IMPACTS. WE'LL HAVE TO GET BACK TO YOU ON THAT,
[02:36:51] OF THE POTENTIAL IMPACT OF THAT. I JUST LIKE TO FLAG THAT
[02:36:55] AS A CONCERN THAT MAYBE SHIFTING MORE BURDEN ONTO OUR
[02:36:59] PORT POLICE, OUR MARINE UNIT.
[02:37:04] I WOULD BE QUITE CONCERNED ABOUT THAT. SO, OKAY. ALL RIGHT.
[02:37:07] THANKS. THAT'S ALL. THANK YOU. THANK YOU FOR THE QUESTION. NEXT
[02:37:11] SLIDE, PLEASE. SO YOU'RE VERY FAMILIAR WITH THE AUTO
[02:37:15] BUSINESS EVENT HERE SO I PROBABLY WON'T TO GO INTO
[02:37:18] DETAIL, BUT JUST WOULD LIKE TO KNOW IF I FEEL HERE FOR YOUR
[02:37:23] FOR YOU AND THE PUBLIC
[02:37:25] WE DEVELOP AND BE POINTED THE SELF-CHECK HEALTH
[02:37:29] CARE SURVEY AS YOU ALL KNOW AND TO POLLY POCKET ANSWER YOUR
[02:37:33] QUESTION OUR COMMISSIONER SAMPLE. WE DID PROVIDE SOME
[02:37:38] MUTUAL AID TO THE CITY OF SEATTLE, YOU KNOW DURING THE
[02:37:42] LATE MAY EARLY JUNE WE IN RESPONSE TO THE MAJOR CIVIL
[02:37:47] UNREST IN DOWNTOWN AREA. ALSO IN OTHER POLICE ALSO
[02:37:52] PARTICIPATE IN A VIRTUAL SPECIAL OLYMPICS. ONCE
[02:37:58] IN JUNE THIS YEAR IS ON GOING ONLINE. AND THEN WE ALSO
[02:38:03] DEVELOP A THREE-YEAR WORKFORCE DEVELOPMENT STRATEGY PLANNED
[02:38:06] AND YOU'VE BEEN BUILT ON BY THE OFFICE OF EQUITY DIVERSITY AND
[02:38:12] INCLUSION WITH THE INPUT FROM THE COMMUNITY FEEDBACK AND
[02:38:16] COMMUNITY
[02:38:18] LEADER PARTICIPATED
[02:38:23] AND ALSO, YOU KNOW, WE HAVE IMPLEMENTED A DEAL. SECOND USE
[02:38:26] SYSTEM INCLUDING THE NEW PURCHASES TERM PLANNING BUT
[02:38:30] BUDGET PLANNING SYSTEM THE NEW APPLICATION MANAGEMENT SYSTEM.
[02:38:34] ALSO SOME UPGRADE FOR THE DEEP PEOPLESOFT FINANCE ON MAIN
[02:38:39] ENTERPRISE SYSTEM PEOPLESOFT TO UPGRADE SO THERE'S SOME
[02:38:42] IMPROVEMENT THERE AND THEN LET'S ALSO EXECUTIVE DIRECTOR
[02:38:46] MENTIONED IN HIS EARLIER REMARK, YOU KNOW,
[02:38:51] THE YOUTH OPPORTUNITY PROGRAM FIRST GRADUATE. WE ALREADY SEE
[02:38:55] THERE BUT ALSO ANTICIPATE A TOTAL OF 220, YOU KNOW TO YOUR
[02:39:01] JOB. YOU KNOW WHAT THIS SUMMER'S OR PRETTY COOL TO SEE
[02:39:04] YOU
[02:39:07] NEXT TIME, PLEASE.
[02:39:11] SO HERE'S A FINANCIAL HIGHLIGHTS FOR THE FIRST HALF
[02:39:15] OF THE YEAR
[02:39:17] AGAIN. I WON'T GO INTO THE DETAIL OF THE NUMBERS HERE THAT
[02:39:19] MADE ME WANT TO POUR KNOW IT FEEL YOU KNOW NUMBER ON THE
[02:39:23] SECOND LAST COLUMN THE FAVORABLE. THE ACTUAL
[02:39:27] COMPETITIVE REVISED BUDGET VARIANCE THERE THE BOTTOM FOUR
[02:39:31] MILLION FAVORABLE TO THE REVISED BUDGET, WHICH IS ALMOST
[02:39:34] 6 PERCENT
[02:39:36] FAVORABLE AND AGAIN, YOU KNOW MAINLY DUE TO THE
[02:39:41] THIS, YOU KNOW, THE HIRING FREEZE AND ALL THE MEASURE
[02:39:45] BUDGET REDUCTION MEASURES THAT WE YOU KNOW IMPLEMENT BUT ON IN
[02:39:50] ON TOP OF THAT WE ALSO, YOU KNOW TRY TO COME UP WITH DO OUR
[02:39:53] BEST AND COME UP WITH ADDITIONAL SAVING AS MUCH AS
[02:39:55] POSSIBLE. PAUSE AS MUCH AS POSSIBLE SO YOU CAN SEE NO

[02:39:58] DUSTY. WELL PRETTY GOOD NUMBER HERE EVEN COMPARED TO THE
[02:40:01] REVISED BUDGET YET TODAY AND ALSO COMPARED TO THE LAST YEAR
[02:40:07] SAME PERIOD LAST YEAR THIS LAST COLUMN DATA ABOUT 3.6 MILLION,
[02:40:12] YOU KNOW
[02:40:14] CHANGES FROM THERE, BUT MAINLY DUE TO YOU KNOW, THE PAY
[02:40:18] INCREASE THE THAT LAST THAT WE HAVE THIS YEAR EARLIER THIS
[02:40:21] YEAR AS WELL AS THE
[02:40:23] YOU KNOW, SOME OF THE POSITION THAT WE'VE IT ONLY POSSIBLE IN
[02:40:27] 2019 BUDGET, YOU KNOW NOW, YOU KNOW IN 2000 WILL BE A FULL
[02:40:31] YEAR IMPACT. SO THOSE ARE LIKE A MAJOR REASON FOR THE INCREASE
[02:40:34] IN THE
[02:40:36] NEXT SLIDE, PLEASE.
[02:40:41] SO WITH THAT WE'LL GO FOR THE POT WHY I WANT TO GIVE YOU A
[02:40:45] KIND OF OVERVIEW FOR THE OVERALL POINT WHY WE SO WITH
[02:40:48] ALL THE OTHER INTEGRATION AND INTO SERVICES TOTAL SINNERS
[02:40:52] DO COMMISSIONERS HAVE ANY
[02:40:55] QUESTIONS ON THE PREVIOUS AREAS OF THE PRESENTATION
[02:40:57] BEFORE WE GO TO PORT WIDE?
[02:41:00] COMMISSIONER BOWMAN. DO YOU HAVE ANY COMMENTS?
[02:41:05] I DO JUST A QUICK ONE. THANK YOU. AND MICHAEL YOU MIGHT NOT
[02:41:08] BE ABLE TO ANSWER THIS. SO AGAIN JUST A RAIN CHECK OR AN
[02:41:12] IOU FROM THE STAFF MAYBE MORE FOR STEVE. I WAS WONDERING
[02:41:17] ABOUT THE FAIRLY SIGNIFICANT INCREASE IN LEGAL COSTS.
[02:41:22] THAT'S ON PAGE 29 I THINK OF THE APPENDIX WHERE OUR
[02:41:31] ORIGINAL BUDGET FOR LEGAL WAS ABOUT 4 MILLION. OUR REVISED
[02:41:36] BUDGET WAS 3.9 MILLION BUT OUR FORECAST FOR LEGAL EXPENSES IN
[02:41:41] 2020 IS NOW 5.1 MILLION. SO I'D LIKE A LITTLE MORE INFORMATION
[02:41:47] ABOUT THAT. AND THEN ALSO STEVE IS YOU'RE PUTTING TOGETHER THE
[02:41:49] 2021 BUDGET IF YOU, I MEAN I'M WELL AWARE OF HOW MANY TIMES WE
[02:41:53] GET SUED,
[02:41:55] AND ALSO HOW MANY TIMES WE RELY ON OUTSIDE COUNSEL, PERHAPS WE
[02:42:00] MIGHT LOOK AT BRINGING ON MORE LEGAL HELP INTERNALLY RATHER
[02:42:04] THAN ALWAYS RELYING ON OUTSIDE COUNSEL. SO IF YOU COULD LOOK
[02:42:08] AT THAT. AND THEN THE SECOND QUESTION AGAIN, I COULD JUST
[02:42:12] TAKE AN IOU. ON SLIDE 78
[02:42:16] FOR CENTRAL SERVICES. THE TRAVEL AND OTHER EMPLOYEE EXPENSES
[02:42:21] BUDGET ITEM
[02:42:23] AND TRYING TO UNDERSTAND
[02:42:27] WHAT'S IN THAT ITEM. SO OBVIOUSLY, I DON'T THINK
[02:42:30] ANYBODY'S BEEN TRAVELING CERTAINLY SINCE MARCH AND KIND
[02:42:35] OF WANTING TO HAVE MORE VISIBILITY TO WHAT ALL IS
[02:42:38] INCLUDED. YOU DON'T NEED TO DO IT NOW, BUT IF YOU COULD JUST
[02:42:41] PROVIDE THAT IN MORE DETAIL IN AN E-MAIL, I'D APPRECIATE IT.
[02:42:46] YES COMMISSIONER ON BOTH OF THOSE. AND JUST TO YOU KNOW TO
[02:42:50] GO BACK TO THE FIRST ONE. YES, WITH A LOT OF POLICIES
[02:42:54] AND DOING THINGS THERE'S A LOT MORE LEGAL EXPENSES, BUT WE'LL
[02:42:57] GIVE YOU A BREAKDOWN TO SO WE CAN WE CAN LOOK AT THOSE AND
[02:43:00] UNDERSTAND THOSE AND I THINK YOUR POINT ON-- THAT'S THE
[02:43:03] CLASSIC QUESTION THAT WE'RE ALWAYS LOOKING AT, RIGHT.
[02:43:05] OUTSIDE COUNSEL VERSUS INSIDE CAPACITY. SO THANK YOU ON THOSE.
[02:43:10] WE'LL GET BACK TO YOU WITH MORE INFORMATION.
[02:43:16] OKAY, SO NEXT SLIDE, PLEASE. OH, WAIT, WAIT. WAIT.
[02:43:20] I WANTED TO MAKE SURE COMMISSIONERS HAD QUESTIONS.
[02:43:25] AND I DO ALSO SO. COMMISSIONER CALKINS.
[02:43:30] ANYTHING FOR QUESTIONS OR COMMENTS FOR THE SEGMENT? NOT
[02:43:34] FOR ME. THANK YOU. COMMISSIONER CHO.
[02:43:39] NOT FOR ME EITHER. THANK YOU COMMISSIONER FELLEMAN.
[02:43:43] I'M GOOD FOR NOW. THANK YOU . COMMISSIONER STEINBREUCK BACK
[02:43:46] TO YOU. DO WE COLLECT FROM
[02:43:52] AIRPORT AVIATION REVENUES THE COST OF LEGAL
[02:43:57] SUPPORT THAT WE PROVIDE THERE FIRST OF ALL?
[02:44:03] WE CHARGE THEM IF SOMETHING VERY SPECIFIC LIKE FOR EXAMPLE
[02:44:07] FOR ADR. IF IT'S A LEGAL OBLIGATION OR SOME LEGAL MATTER

[02:44:12] AFTER THE LEGAL DEPARTMENT DIRECT CHARGE TO THE BUSINESS
[02:44:17] FOR SPECIFIC CASE, IF IT'S FESTIVE SPECIFICALLY TO A
[02:44:21] DEPARTMENT OR YOUR BUSINESS SO SO BUT IT'S ALL END UP IN THE
[02:44:27] LEGAL DEPARTMENT PHOTOS OKAY, SO AND I PARTICULARLY BECAUSE
[02:44:31] OF ALL THE CONTRACTING AND CONSTRUCTION WORK GOING ON OUT
[02:44:35] THERE. I THINK THAT THERE'S A SIGNIFICANT LEGAL COSTS
[02:44:39] ASSOCIATED THAT I THINK
[02:44:43] SHOULD BE BILLED TO THE AIRPORT AND WE DON'T NEED TO TRY TO
[02:44:47] ADDRESS THIS NOW, BUT I WANTED TO PUT THAT OUT THERE. YEAH,
[02:44:51] THAT'S EXACTLY WHAT HAPPENED. YOU KNOW, ALL THOSE CASES. YOU
[02:44:55] DON'T WANT TO IN SOME CASES SOME, YOU KNOW LEGAL ADVISERS
[02:44:59] OR SERVICES IN SUPPORT OF THE OPPORTUNITY. CHO CHO BUSINESS
[02:45:02] OR END UP IN THE YOU KNOW, THE LEGAL DEPARTMENTS. OKAY, SO IT
[02:45:07] BUT YOU KNOW, WE DO TO RECHARGE THOSE TO THE BUSINESS. OKAY.
[02:45:11] THIS APPLIES LEFT UNDER DIFFERENT TOPIC HERE UNDER THE
[02:45:15] POLICE BUDGET. ONCE AGAIN, DO WE COST OUT THE COST OF MUTUAL
[02:45:21] AID AND I'M I DON'T EXPECT THAT. WE ARE BILLING FOR THE
[02:45:27] COST OF MUTUAL AID, BUT WE DO WE COST IT OUT. SO IN OTHER
[02:45:30] WORDS, DO WE KNOW WHAT? WHAT FOR EXAMPLE THE PROTEST SUPPORT
[02:45:35] BY PORT OF POLICE THROUGH MUTUAL AID COST SUPPORT? YES.
[02:45:41] WE DON'T FEEL LOST AN APPEAL TO YOU KNOW AUDIO,
[02:45:45] YOU KNOW THOSE SCIPIOS OF INTENSITY THAT WE HAVE THE
[02:45:48] MUTUAL AGREEMENT WITH BUT WE DO HAVE A PROGRAM CALLED WE TRY TO
[02:45:54] CHECK THAT USING A PROGRAM CALLED IN GENERAL. I WOULD BE
[02:45:57] INTERESTED IN A FOLLOW-UP ON THE COST OF PROVIDING NEUTRAL
[02:46:00] AID AND ALSO OVER TIME COST AT THE IN THE POLICE DEPARTMENT.
[02:46:06] I'M ASSUMING THAT THE SUPPORTING THE MUTUAL AID
[02:46:11] IN THE CASE IN THIS CASE PARTICULARLY RUNS UP OVER TIME
[02:46:15] AS WELL, BUT I DON'T KNOW SO
[02:46:18] I'M NOTING THAT THE POLICE BUDGET WENT UP THIS YEAR. SO,
[02:46:24] OKAY, WE'LL PULL OUT THE INFORMATION. I'M NOT INTERESTED
[02:46:26] IN DEFUNDING THE PORT OF POLICE. BELIEVE ME.
[02:46:30] I JUST WANT TO UNDERSTAND HOW HOW THESE COSTS ARE BEING
[02:46:33] ACCOUNTED FOR AND WHAT THEY ARE.
[02:46:37] ALL RIGHT. THANK YOU MICHAEL. OKAY, THANK YOU. AND I WOULD
[02:46:40] LIKE TO GO GET BACK TO ONE OF THE SECOND QUESTION
[02:46:43] COMMISSIONER BOWMAN MENTIONED US A LITTLE BIT EARLIER FOR IN
[02:46:47] TERMS OF WHAT IN A HIGH LEVEL IN TERMS OF WHAT'S IN THE
[02:46:49] TRAVEL AND OTHER EMPLOYEE EXPENSES THOSE MAINLY OBVIOUSLY
[02:46:53] SOME STILL HAVE SOME REGULAR CULTURE FOR AND OTHERS AND
[02:46:57] REMEMBER THAT WE ALSO OUGHT TO SPEND SOME MONEY IN THE FIRST
[02:47:01] AT LEAST IN THE FIRST HALF HOUR GIVE THEM FIRST, YOU KNOW, HALF
[02:47:04] THE MONTH IN. JANUARY AND FEBRUARY BEFORE THE COFFEE
[02:47:08] OBVIOUSLY, SO THAT SUMS ACTUAL SPENDING ALREADY HAPPENED THE
[02:47:12] OTHER PART. WE LIKE TO POINT OUT THAT NOT ONLY THE CHO FOR
[02:47:15] THE REGULAR CAR TRAVEL FOR CONFERENCE AND OTHERS BUT
[02:47:18] THERE'S SOME REQUIRE TRAINING, YOU KNOW, SOME OF THEM MAY BE
[02:47:22] ONLINE BUT YOU KNOW STUFF PROBABLY SOME OF THEM ALREADY
[02:47:25] PURCHASED EARLIER IN THE YEAR AND YOU HAVE TO MAINTAIN FOR
[02:47:29] EXAMPLE, THE CPA OR THE PROFESSIONAL ENGINEERING
[02:47:32] LICENSE THINGS LIKE THAT. THE OTHER PART IS LEAVING THAT KEPT
[02:47:36] AND THE CATEGORY THERE'S ALSO SOME MEMBERSHIP, YOU KNOW AND
[02:47:40] SUBSCRIPTION THINGS LIKE THAT. SO, YOU KNOW THAT THAT WE ARE
[02:47:47] PAYING SOME MEMBERSHIP, YOU KNOW VARIOUS OTHER MEMBERSHIP
[02:47:49] AS WELL. SO THAT'S COMPANY MAINLY IN THIS CATEGORY, BUT
[02:47:52] ALTHOUGH UP TO THE SHOP WHEN EMPLOYEE EXPENSES. THANK YOU
[02:47:57] MICHAEL. I APPRECIATE THAT. NO PROBLEM. COMMISSIONER
[02:48:01] STEINBREUCK, I THINK STEPHANIE JONES STEBBINS
[02:48:03] HAD A LITTLE MORE INFORMATION SINCE YOU WERE TALKING ABOUT
[02:48:05] POLICING ONE BEFORE.
[02:48:09] INPUT ON THAT AS WE'RE GETTING MORE INFORMATION. WE HAVE SOME
[02:48:11] ADDITIONAL INFORMATION. YEAH, COMMISSIONER STEINBREUCK.
[02:48:15] FOLLOW UP ON THAT, RIGHT NOW OF COURSE EVERYTHING IS

[02:48:18] FLUID WITH THE FUNDING OF THE CITY POLICE BUDGET, BUT WITH
[02:48:22] RESPECT TO THE HARBOR PATROL, THE OFFICIAL PROPOSAL
[02:48:26] IS TO REDUCE THE NUMBER OF PERSONNEL FROM 30 TO 28. IF THAT
[02:48:32] OCCURS, THAT WOULD NOT HAVE A SIGNIFICANT IMPACT ON US. IF
[02:48:35] THEY WERE TO MORE SIGNIFICANTLY DEFUND OR MOVE TO
[02:48:40] ANOTHER PART OF THE
[02:48:43] CITY THAT ORGANIZATION THAT WASN'T LAW ENFORCEMENT, THAT
[02:48:47] WOULD HAVE A REAL IMPACT ON WHAT'S ON THE SERVICES THAT WE
[02:48:51] PROVIDE IN PARTNERSHIP. SO WE ARE FOLLOWING IT CLOSELY, BUT
[02:48:55] THE CURRENT PROPOSAL WOULD NOT HAVE A SIGNIFICANT IMPACT.
[02:48:58] BECAUSE I THINK WE NEED TO BE PARTICULARLY ATTENTIVE TO ANY
[02:49:01] COST SHIFTS THAT MIGHT BE THE RESULT OF THE CITY'S BUDGET
[02:49:06] CUTTING
[02:49:08] THAT'S OCCURRING DRAMATICALLY NOW. ABSOLUTELY.
[02:49:14] OKAY, THANK YOU. OKAY, LET'S MOVE ON TO THE OVERALL PORTWIDE
[02:49:18] SUMMARY. SO HERE'S A QUICK OVERVIEW. I HIGHLIGHT HERE
[02:49:23] TODAY IN THE FIRST HALF OPERATING REVENUE TO PAIN 26
[02:49:28] POINTS 6 MILLION FAVORABLE SORT OF EXCUSE ME UNFAVORABLE TO THE
[02:49:32] REVISED BUDGET MAINLY DUE TO THE AERONAUTICAL REVENUE
[02:49:34] TOBOGGAN CUBE A REGULATED AREA AND ALSO 91 ALMOST 92 MILLION
[02:49:40] LOWER THAN THE SAME PERIOD LAST YEAR.
[02:49:44] EXPENSIVE SINCE 17.2 MILLION BELOW THE REVISED BUDGET AND
[02:49:49] ALSO ALMOST 19 MILLION LOWER THAN THE SAME PERIOD LAST YEAR
[02:49:53] AND BEFORE DEPRECIATION I POINT FOUR MILLION UNFAVORABLE
[02:49:58] TO THE REVISED BUDGET AND ALSO 73 MILLION LOWER THAN THE SAME
[02:50:02] PERIOD LAST YEAR
[02:50:04] ON THE CAPITAL SPENDING. WE SPENT ONE JUST SIMPLY 257
[02:50:10] BILLION OR ALMOST 50% OF THE DEVICE. BUDGET AND FOR THE FULL
[02:50:15] YEAR, WE ARE EXPECTING BETTER NEW OPENING REVENUE 129 MILLION
[02:50:20] UNFAVORABLE TO THE REVISED BUDGET AND 253 BILLION LOWER
[02:50:26] THAN LAST YEAR'S. WELL
[02:50:29] OFTEN EXPRESSES 13 MILLION FAVORABLE TO THE REVISED BUDGET
[02:50:34] AND ALSO IT CAN BE USED THEN LOWER THAN 2019
[02:50:39] DUE TO THE PATCH ABDUCTION THAT WE HAVE EARLIER THIS YEAR
[02:50:43] AND BEFORE THE APPRECIATION 116 MILLION AND FAITH FOOTBALL
[02:50:48] AFTER THE REVISED BUDGET AND ALSO 235 MILLION LOWER THAN
[02:50:53] 2019
[02:50:55] CAPITAL SPENDING EXPECT A 544 MILLION A PORTMAN LEAD OVER 8
[02:51:02] MILLION ABOUT THE REVISED BUDGET. SO THERE'S
[02:51:06] SOME NEW PHOTO ABOUT FOR A WHILE
[02:51:09] NEXT SLIDE, PLEASE.
[02:51:14] AND HE IS JUST SO YOU KIND OF A
[02:51:16] LITTLE HISTORY FOR THE OVERALL PLOT Y NOI THAT INCLUDE
[02:51:21] OPERATING REVENUE
[02:51:23] ARE NOT AIRPORT NAUTICAL WEAPON NEW AIRPORT LAW OR NAUTICAL WEB
[02:51:28] VIDEO AND OTHER LONG AIRPORT REVENUES AND WE HAVE THAT NEXT
[02:51:31] TIME. WE HAVE A LITTLE BIT MORE DETAIL FOR THE LONG AIRPORT
[02:51:33] REVENUES AND EXPENSES. BUT HERE I GUESS THE KEY MESSAGE CAN SEE
[02:51:39] IN THE PAST FOUR YEARS FROM 2006 ALL THE WAY TO LAST YEAR
[02:51:44] WE HAVE THING OPINION NICE INCREASE BUT IN VALLEJO EXTEND
[02:51:50] AND ALSO ON THE NET OPERATING INCOME AS WELL, THEN YOU CAN
[02:51:53] SEE THE SIGNIFICANT REDUCTION, YOU KNOW IN THE REVISED BUDGET
[02:51:57] AND FORECAST THIS YEAR. SO
[02:52:02] LET'S JUST OTHER PRESSURE
[02:52:05] PUT ON A SLIDE THAT HAS A LITTLE BIT MORE DETAIL FOR THE
[02:52:08] LONG AIRPORT AND WHY?
[02:52:13] NEXT SLIDE PLEASE.
[02:52:15] SO HERE'S SIMILAR KIND OF STORY, YOU KNOW
[02:52:19] OVERALL THE YOU CAN SEE THE DARK BLUE ONE FOR THE 2020 IS
[02:52:26] THE OTHER OPERATING REVENUES. SO IT'S YOU KNOW, IT'S THE
[02:52:30] LIGHTER ONE IS A LIGHTER BLUE IS THE NOT BEST DISTRIBUTABLE
[02:52:33] REVENUE SO THAT THEY CAN BE DASHING OBVIOUSLY IS FROM YOU
[02:52:37] KNOW, THE COURSE AND ALL THE OTHERS, YOU KNOW,

[02:52:42] GREAT. EVERYTHING ELSE BOTH THE FUNCTION OF TIME AND EDD
[02:52:48] REVENUES
[02:52:50] ALSO LEFT IN YOU EXPECT EXPENSES. I KNOW YOU'RE ALSO
[02:52:54] SEEING SOME REDUCTION BOOK COMES OUT TO THEIR BRIEF IS
[02:52:56] BUDGET, YOU KNOW PAGE.
[02:53:03] SO NEXT SLIDE, PLEASE.
[02:53:07] SO HERE'S OUR KIND OF OVERVIEW OF THE CAPITAL SPENDING FOR Y
[02:53:14] AS YOU CAN SEE, YOU KNOW BE EXPECTING A LITTLE BIT OVER THE
[02:53:19] POOL AT THE REVISED BUDGET. SO EXPECT A 544 MILLION ALMOST 40
[02:53:25] YEARS LITTLE BIT LOWER THAN LAST YEAR, BUT STILL FIT THIS
[02:53:28] KIND OF, YOU KNOW SPENDING THIS USE
[02:53:32] I'M NEXT SLIDE, PLEASE.
[02:53:37] SO HERE'S A KIND OF A QUICK OVERVIEW OF ALL THE COMMUNITY
[02:53:41] PROGRAMS. SO THAT'S A LOT OF NUMBER HERE. YOU KNOW, I WOULD
[02:53:47] LIKE TO DRAW YOUR ATTENTION TO A FEW NUMBERS. SO THE FIRST ONE
[02:53:51] IS THE IN THE 2020 ADDITION SLASH REDUCTION COLUMN IN ORDER
[02:53:59] TO THE BOTTOM LINE 1.8 MILLION. I WOULD LIKE TO POINT OUT THAT
[02:54:02] AS A NET OF THE ABOUT 1.2 MILLION. ATTRACTION WHICH
[02:54:08] INCLUDE MOST OF THEM ARE THEIR VACANCY AND SOME DISCRETIONARY
[02:54:12] SPENDING NOT MUCH ON THE CORE PROGRAM, YOU KNOW, SOME OF THE
[02:54:15] PROGRAM TO COMPLETE, YOU KNOW, THAT REALLY BENEFIT THE
[02:54:18] COMMUNITY THOSE ABOUT 800 280,000 THAT WE PREVIOUSLY
[02:54:24] PREVIOUSLY SHARE WITH YOU WINDOWS AND THE COMMISSION
[02:54:27] BETWEEN OR OTHER PROBLEMS. SO AGAIN, YOU KNOW, IT'S A PAIN
[02:54:30] POINT TOOL FROM MILLION OF THOSE ARE REALLY THOSE HAVE
[02:54:33] DISCRETIONARY SPENDING THAT HAS SOME VACANCY SOME CHO FOR AND
[02:54:37] ALL THOSE AND THEN THEY YOU APPROVED IT THREE MILLION 1.5
[02:54:43] OR THE YOUTH OPPORTUNITY PROGRAM AND THEN ANOTHER ONE
[02:54:46] POINT FIVE FOR THE TOURISM PROGRAM. SO THAT'S THE THREE
[02:54:50] MILLION TOTAL. SO YOU CONNECT THE ONE POINT, YOU KNOW, 1.2
[02:54:54] WITH THE THREE MILLION INCREASE THAT'S THE 1.8 HERE. SO IT'S
[02:54:58] LIKE INCREASE ACTUALLY FOR THIS YEAR. AND THEN THIS SECOND
[02:55:03] NUMBER DEVELOPMENT OF THE LAST COLUMN THE YEAR TODAY, YOU
[02:55:06] KNOW. AND SPENDING AS OF THE FIRST HALF OF THE YEAR, YOU
[02:55:09] KNOW, WE SPENT ABOUT 4.5 MILLION ALREADY
[02:55:13] AND ESPECIALLY IF SOME OF THEIR LIKE THEIR BIG ONE THE SOUTH
[02:55:16] KING COUNTY PROGRAM WE EXPECTING TO SPEND, YOU KNOW,
[02:55:20] MUCH MORE THAN X IN THE SECOND HALF OF THE YEAR. SO SO THIS IS
[02:55:24] KIND OF A PRETTY HIGH LEVEL AND YOU KNOW WITH ALL THE DETAILED
[02:55:27] THE COMMUNITY PROGRAM THAT YOU MAY BE INTERESTED THAT MAYBE
[02:55:31] INCHES TO YOU.
[02:55:34] SO WITH THAT I WOULD LIKE TO ANSWER ANY FURTHER
[02:55:37] QUESTION THAT YOU MAY HAVE. QUESTIONS, LET'S GO
[02:55:40] DOWN THE LIST. CERTAINLY. BELIEVE COMMISSIONER
[02:55:44] BOWMAN IS LEAVING THIS CALL AT THREE
[02:55:46] O'CLOCK. I'M NOT SURE IF SHE'S STILL ON THE LINE? I'M
[02:55:50] STILL ON AND I DON'T HAVE ANY FURTHER QUESTIONS. THANK YOU.
[02:55:53] THANK YOU COMMISSIONER BOWMAN. AND COMMISSIONER CALKINS.
[02:56:00] ANY COMMENTS FOR THE SEGMENT? NONE FOR ME, THANKS. THANK YOU.
[02:56:04] COMMISSIONER CHO.
[02:56:09] NOT FOR ME EITHER. THANK YOU. COMMISSIONER FELLEMAN.
[02:56:15] YEAH, CAN YOU HEAR ME? YES.
[02:56:20] I WAS JUST THINKING ABOUT
[02:56:23] DUE TO DAY'S UNCERTAINTIES ASSOCIATED
[02:56:28] WITH OUR ABILITY TO DO OUR FULL TOURISM PROMOTION THAT THE IDEA
[02:56:35] THAT THIS FUND COULD BE, YOU KNOW, EXPENDED OVER EVEN
[02:56:39] MORE THAN ONE YEAR. AND SO I'M JUST SAYING THE WAY IN
[02:56:42] WHICH
[02:56:44] PHASED IN IS A YOU KNOW, WE HAVE TO YOU KNOW DEAL WITH
[02:56:49] SITUATIONS AS THEY UNFOLD AND SO I'M JUST WONDERING IN TERMS
[02:56:53] OF FLEXIBILITY, WE WILL KNOW AS TIME GOES ON
[02:56:56] SORT OF HOW THIS GETS REVISED. SO I JUST WANTED TO POINT THAT
[02:57:00] OUT AS A YEAH AS A POTENTIALLY, YOU KNOW, MOVING TARGET. YEAH.

[02:57:06] COULD WE GO BACK TO THAT LAST SLIDE
[02:57:09] IN THE PRESENTATION?
[02:57:14] YEAH, GIVE ME ONE MOMENT TO GET IT BACK UP.
[02:57:18] AND THE COMMISSION PRESIDENT STEINBREUCK, WE HAVE MR. THOMAS
[02:57:24] AND AS WELL EXECUTIVE DIRECTOR METRUCK THAT ARE LINED UP TO
[02:57:28] SPEAK. I'D LIKE TO GET THAT LAST SLIDE BACK UP AGAIN. IF WE
[02:57:32] COULD. IT'S GOING TO TAKE JUST A MOMENT I EXITED OUT OF IT.
[02:57:36] OKAY. I HAVE AN INTEREST IN THE SAME TOPIC THAT PERHAPS FROM A
[02:57:43] DIFFERENT APPROACH HERE WITH REGARD TO COMMISSIONER
[02:57:46] FELLEMAN'S
[02:57:48] QUESTIONS ABOUT THE TOURISM FUND THERE
[02:57:53] AND THAT'S WHY I WANTED TO GET THAT SLIDE BACK UP WITH THE
[02:57:55] ACTUAL NUMBERS
[02:57:59] BUDGETED FOR 2020 AND AUTHORIZED. I THINK IT WAS 2.8
[02:58:05] MILLION IN TOTAL?
[02:58:09] OKAY. SO
[02:58:12] WHAT TROUBLES ME ABOUT THE AMOUNT OF MONEY GOING INTO
[02:58:15] TOURISM IN THIS YEAR'S BUDGET IS ONE, OUR ABILITY TO TO SPEND
[02:58:21] THAT IN WAYS THAT ARE GOING TO ACHIEVE OUTCOMES THIS YEAR
[02:58:26] GIVEN THE CONSTRAINTS ON TRAVEL THAT IS JUST FUNDAMENTAL RIGHT
[02:58:30] NOW AND LIKELY TO CONTINUE.
[02:58:33] AND TWO,
[02:58:36] POSSIBLY THE MONEY WOULD BE BETTER SPENT. HERE WE GO. NO,
[02:58:40] THAT WASN'T IT. YEAH, IT WAS THE VERY LAST SLIDE THAT WAS
[02:58:45] SHOWN THAT SHOWED TWENTY
[02:58:48] OKAY, IS IT THAT LISTED INCREASED SPENDING IN
[02:58:52] TOURISM. THIS IS IT HERE. IT HAS A SO WE GOT 2.8
[02:58:57] MILLION GOING INTO 2020 TOURISM.
[02:59:02] I CAN'T HELP BUT THINK THAT THAT MONEY IS NOT GOING TO BE
[02:59:05] REALLY GET A WHOLE LOT OF TRACTION THIS YEAR. IT MAY HELP
[02:59:10] ORGANIZATIONS AND THEIR OPERATIONAL SUPPORT NEEDS, BUT
[02:59:14] I DON'T SEE HOW IT'S GOING TO PRODUCE OUTCOMES IN
[02:59:17] TERMS OF STIMULATING THAT SECTOR OF THE ECONOMY IN 2020.
[02:59:25] AND I REALIZE WE'VE ALREADY APPROVED THOSE FUNDS AND IT'S A
[02:59:30] LITTLE LATE TO BE RAISING SUCH QUESTIONS, BUT NEVERTHELESS I
[02:59:35] JUST CAN'T HELP BUT THINK THAT MAYBE THE MONEY WOULD BE BETTER
[02:59:38] SPENT NEXT YEAR AND SHOULD HAVE BEEN THROUGH THE 2021
[02:59:42] BUDGET PROCESS.
[02:59:46] IF I COULD, PLEASE.
[02:59:51] I'M SORRY. YEAH. NO, PLEASE IF YOU WANT TO RESPOND, I WELCOME
[02:59:52] THE PORT OF SEATTLE, WE ARE IN THE TOURISM BUSINESS. SO THE
[02:59:53] PORT INVESTING IN TOURISM IS COMPLETELY CONSISTENT WITH
[03:00:06] WHAT WE ARE, WHO WE ARE, AND IT'S AN IMPORTANT
[03:00:09] PART OF OUR ECONOMIC DEVELOPMENT MISSION. AS YOU
[03:00:12] POINT OUT AND AS I WAS TRYING TO MAKE THE CASE HOW THIS ROLLS
[03:00:16] OUT IS SOMEWHAT OF SOME UNCERTAINTY. HAVING SAID THAT
[03:00:19] THOUGH, I BELIEVE THERE ARE SOME VERY STRATEGIC
[03:00:21] INVESTMENTS WE CAN BE MAKING UP FRONT THAT CAN HELP LATER
[03:00:26] ON. AND SO ONE OF THE TERMS OF RIGHT NOW IS LIKE BOOK NOW
[03:00:30] TRAVEL LATER, RIGHT? SO GETTING PEOPLE TO SORT OF GET IN THE
[03:00:34] MODE AND MAKING PLANS DOWN THE ROAD AND FOR US RIGHT NOW,
[03:00:38] I THINK SOME OF THE THINGS THAT I WANT TO SEE US PROMOTING ARE
[03:00:41] ACTIVITIES THAT CAN OCCUR DURING ALL SEASONS, IT'S NOT
[03:00:46] JUST. WASHINGTON STATE IS NOT JUST HERE TO PLAY IN AUGUST.
[03:00:49] RIGHT. AND WE NEED TO SPREAD OUT, YOU KNOW FLATTEN THE
[03:00:53] CURVES THAT WE SAY ON THOSE NATURAL AREAS SO THAT WE DON'T
[03:00:57] TRAMPLE THEM LIKE GOING ON RIGHT NOW. AND THAT'S ONE OF
[03:00:59] THE OTHER THINGS I WOULD LIKE TO SEE US PUT SOME OF THIS
[03:01:01] MONEY RIGHT NOW INTO SOME RESPONSIBLE OUTDOOR ACTIVITY
[03:01:05] EDUCATIONAL EFFORTS BECAUSE THE FEW REALLY ACCESSIBLE NATURAL
[03:01:10] AREAS ARE REALLY GETTING TRAMPLED. SO THERE ARE SOME
[03:01:13] SPENDING BUT I THINK CAN OCCUR RIGHT AWAY, I THINK THERE COULD
[03:01:16] BE SOME. CERTAINLY THE MAJORITY OF WHICH WOULD BE CARRIED OUT

[03:01:21] INTO NEXT YEAR. BUT LIKE I SAID DEPENDING ON HOW THINGS GO
[03:01:25] WE COULD REALLY STRETCH THIS BUDGET OUT AND I JUST WANTED TO
[03:01:28] LAY IT OUT THERE AS IT AS JUST SOMETHING AS A BUDGETING ITEM
[03:01:32] THAT COULD HAVE A FLOAT TO IT, BUT I DON'T WANT TO I DON'T
[03:01:36] WANT TO SUGGEST THAT IT'S NOT A GOOD THING TO SPEND ON BUT IT'S
[03:01:39] THE SEQUENCING OF EVENTS AND THAT UNCERTAINTY. SO I THINK
[03:01:43] WE'RE TALKING THE SAME. APPRECIATE THAT, AND I THINK
[03:01:47] YOU HIT THE HIT THE NAIL ON THE HEAD WITH REFERENCE TO
[03:01:50] STRATEGIC INVESTMENTS. I'M NOT SURE THAT WE'VE BEEN EFFECTIVE
[03:01:54] IN LEVERAGING OUR INVESTMENTS AND OUR RECENT ADDITIONAL
[03:01:59] INVESTMENT IN THE TOURISM INDUSTRY. WHAT I SAW WAS SOME
[03:02:03] MARKETING CAMPAIGNS AND THINGS THAT DIDN'T REALLY TIE DIRECTLY
[03:02:06] TO SOME OF THE AREAS THAT YOU MENTIONED. I DON'T QUESTION OUR
[03:02:10] MISSION WITH REGARD TO TOURISM AND AS PART OF OUR WORK
[03:02:14] ECONOMIC DEVELOPMENT PORTFOLIO. I HAVE NEVER QUESTIONED THAT I
[03:02:18] JUST QUESTIONED HOW WE SPEND THE MONEY AND WHAT WE GET BACK
[03:02:21] OUT OF IT AND ALSO LEVERAGING THE MONEY THAT WE SPEND THROUGH
[03:02:25] OUR CONTRIBUTIONS SUCH AS THIS IN THIS CATEGORY.
[03:02:30] SO COMMISSIONERS.
[03:02:37] ONE OF THE THINGS THAT I WAS LEARNING ABOUT
[03:02:44] AND WHAT I'VE LEARNED
[03:02:48] IS THAT A LOT OF INTERNATIONAL TRAVELERS A HIGH PERCENTAGE OF
[03:02:52] THEM ARE COMING TO ENJOY OUR NATURAL WEALTH IN WASHINGTON
[03:02:57] STATE. AND SO AND THESE ARE OFTEN IN THE RURAL, YOU KNOW
[03:03:02] COMMUNITIES THAT ARE MORE ECONOMICALLY DEPENDENT ON SUCH
[03:03:05] THINGS AND THAN VISIT SEATTLE COMMUNITIES ARE. SO THE
[03:03:10] THE ABILITY FOR US TO BE ABLE TO IN THIS TIME. PEOPLE AREN'T
[03:03:15] FLYING DID BE PROMOTING THESE NATURAL AREAS AND THE
[03:03:19] RESPONSIBLE USE OF THEM AND THE FACT THAT THEY ARE AVAILABLE
[03:03:22] YEAR-ROUND. THIS WILL GO TOWARDS OUR, YOU KNOW, MORE
[03:03:26] TRADITIONAL AIRPORT SEAPORT PROMOTIONAL BUSINESS. BUT IN
[03:03:30] THE INTERIM, THIS IS WE'RE PARTNERING WITH THE WASHINGTON
[03:03:34] TOURISM ALLIANCE WHO HAS A MANDATE TO DO STATEWIDE AND
[03:03:38] SPECIFICALLY RURAL ECONOMIC DEVELOPMENT ACTIVITIES, THIS IS
[03:03:41] A STRATEGIC LEVERAGE OPPORTUNITY. BUT WHAT I'M IN
[03:03:46] THE ONGOING CONVERSATION WITH THEM IS RIGHT NOW REALLY THE
[03:03:50] THE SEQUENCING OF THAT STRATEGIC APPROACH. AND SO THIS
[03:03:55] IS A WORK IN PROGRESS. THAT'S ALL I WAS TRYING TO SAY AND I
[03:03:57] THINK THE MORE INPUT WE GET THE BETTER. OKAY DIRECTOR METRUCK,
[03:04:01] YOU TRYING TO GET A WORD IN HERE? YEAH. I'M JUST TRYING TO
[03:04:05] COMMENT JUST IN TERMS OF DAVID MCFADDEN. BUT OF COURSE
[03:04:09] COMMISSIONER STEINBREUCK. WE WON'T BE EXPENDING THESE FUNDS
[03:04:12] BASED ON THIS TOURISM BRIEF THAT WE THE LAST BELIEVE IT IS
[03:04:15] UP TO LESS COMMISSION MEETING BUT BUT JUST SAYING IS THEIR
[03:04:18] TIMING MATTERS ON THIS THE MONEY DOESN'T DISAPPEAR. IF
[03:04:21] IT'S IF IT'S EITHER WILL APPLY IT AS AS APPROPRIATE ON THIS
[03:04:25] AND WE'RE NOT GOING TO APPLY IT IF IT'S NOT APPROPRIATE TO
[03:04:27] APPLY THIS MONEY EITHER THROUGH
[03:04:30] THROUGH OUR THE TOURISM ALLIANCE, BUT ARE ALL CONTINUE
[03:04:33] TO HAVE CLOSE COORDINATION WITH THEM AND THAT WE UNDERSTAND THE
[03:04:36] TIMING IS YOU KNOW IS ESSENTIAL. TOURISM IS A BIG CONTRIBUTOR TO
[03:04:40] THE ECONOMY HERE IN WASHINGTON STATE BUT TIMING IS AN
[03:04:43] IMPORTANT ISSUE IS WE WE ALL STRUGGLE, YOU KNOW WITH THE
[03:04:45] WITH THE PANDEMIC SO WE HAVE ANY LEVERS TO PULL
[03:04:49] DIRECTOR METRUCK ON THE 1.5 TO THE TOURISM ALLIANCE? OR IS
[03:04:55] THIS JUST HANDED OVER TO THEM? DAVE? NO.
[03:04:59] WE'RE GOING TO EXECUTE A SERVICE AGREEMENT
[03:05:02] THAT'S PRETTY TIGHT AND DIRECTIVE IN TERMS OF HOW OUR
[03:05:05] FUNDING HAS TO BE USED. FIRST OF ALL, WE HAVE SOME LEGAL
[03:05:08] PARAMETERS THAT WE HAVE TO HONOR AND STAY WITHIN SOME
[03:05:11] GUARDRAILS IF YOU WILL. BUT PART OF OUR FELLEMAN I MEAN REALLY
[03:05:15] IS BUILT ON THE FACT THAT THEY ARE GOING TO LEVERAGE OUR MONEY
[03:05:18] AND WE HAVE TO HAVE THAT EXPECTATION THAT IF WE PUT OUR

[03:05:21] FUNDING IN FOR CERTAIN ACTIVITIES THAT THEY WILL DO
[03:05:24] OTHERS. AND SO VERY MUCH APPRECIATE THE LINE OF
[03:05:27] QUESTIONING THE CONVERSATION AND I'M GOING TO ALSO TAKE A
[03:05:31] HOMEWORK ASSIGNMENT TO HAVE RON JUST DRILL DOWN SOME MORE
[03:05:35] DISTINCT TIMELINES AND PROVIDE A HIGHER LEVEL OF DETAIL AROUND
[03:05:40] THIS IMPORTANT PARTNERSHIP. APPRECIATE THAT VERY MUCH.
[03:05:43] THANK YOU. LET'S CONTINUE.
[03:05:47] SO I THINK MICHAEL THAT CONCLUDES YOUR PRESENTATION,
[03:05:49] CORRECT? THAT'S CORRECT. THANK YOU. SO I THINK WITH
[03:05:53] THAT COMMISSIONERS, I THINK THAT THERE WERE A FEW
[03:05:56] TAKEAWAYS. AT THE HIGH LEVEL IS THAT OUR CONSERVATIVE MEASURES
[03:06:00] EARLY ON SERVED US WELL IN THE LEVEL OF UNCERTAINTY TO TAKE
[03:06:04] THOSE ACTIONS. WE'LL CONTINUE TO LEARN LOOK AT THOSE,
[03:06:08] LOOK AT OUR ASSUMPTIONS THAT WE HAD GOING INTO THIS. WE'LL
[03:06:10] CONTINUE TO LOOK AT OUR REVENUE STREAMS GOING THROUGH AS WE GO
[03:06:14] NOW INTO THE THIRD AND , THEN INTO THE
[03:06:16] FOURTH QUARTERS TO SEE HOW WE'RE PERFORMING AGAINST THE
[03:06:20] WHICH HELPS US FORMULATE THE BUDGET. I THINK THE BIG
[03:06:22] TAKEAWAY HERE IS THAT EVEN THOUGH WE'VE DONE A GOOD JOB
[03:06:26] YOU NEED TO CONTINUE TO LOOK AT CONSERVING OUR EXPENSES.
[03:06:29] LOOKING AT OUR EXPENSES AND THEN LOOKING AT THE WAYS
[03:06:33] POTENTIAL WAYS FOR REVENUES AS WELL TO DO THAT. AND THE
[03:06:36] IMPORTANCE, YOU CAN SEE ON THE AVIATION SIDE, THE IMPORTANCE OF
[03:06:39] THAT FEDERAL ASSISTANCE TO THOSE CRUCIAL AVIATION PROGRAMS
[03:06:43] TO DO THAT. WITH A POTENTIAL HERE FOR WITH A POTENTIAL FOR
[03:06:47] SOME POTENTIAL FURTHER ACTION HERE BY CONGRESS THAT WOULD
[03:06:51] HELP US IMMENSELY. SO I'D LIKE TO TURN TO DAN THOMAS. I
[03:06:56] DON'T KNOW IF DAN'S ABLE TO
[03:06:59] ABLE TO COMMENT HERE, BUT THEN WE CAN TIE UP THIS
[03:07:01] SESSION. OKAY. ALL RIGHT. THANK YOU. YEAH, THANK YOU STEVE. SO
[03:07:05] AGAIN SOME AT THIS POINT IN TIME WE ARE TRACKING WELL
[03:07:09] AGAINST OUR REVISED BUDGET AND I THINK WE'RE PARTICULARLY
[03:07:13] PLEASED THAT OUR YEAR EXPENSE FORECAST SHOWS THAT WE
[03:07:17] EXPECT TO COME IN EVEN LOWER THAN THE CUTS WE TOOK EARLIER
[03:07:21] IN THE YEAR AS PART OF THE REVISED BUDGET. SO WE'RE
[03:07:24] PERFORMING REALLY WELL AGAINST THAT. BUT AS YOU KNOW, WE'RE
[03:07:28] STILL NOT OUT OF THE WOODS. IT'S A FLUID SITUATION. SO
[03:07:31] WE'LL BE WE WILL BE MONITORING THIS CLOSELY AS WE PROCEED OVER
[03:07:34] THE NEXT FEW MONTHS. NORMALLY. WE DON'T PROVIDE A PUBLIC
[03:07:37] PRESENTATION ON THE THIRD QUARTER UPDATE, BUT I THINK
[03:07:41] I'LL RECOMMEND THAT WE DO PROVIDE A PRESENTATION
[03:07:45] FOR THE THIRD QUARTER UPDATE JUST BECAUSE THINGS ARE
[03:07:47] SO FLUID SO YOU HAVE A SENSE OF HOW WE'RE PERFORMING AT THAT
[03:07:51] TIME AS WELL AND AS WE'RE LEADING INTO THE 2021 BUDGET.
[03:07:55] SO WE APPRECIATE YOUR TIME.
[03:07:58] OKAY, LET'S TAKE ANOTHER ROUND OF COMMISSION QUESTIONS AND
[03:08:02] COMMENTS IF THERE ARE ANY. I THINK BOWMAN MAY HAVE LEFT.
[03:08:07] COMMISSION PRESIDENT, I BELIEVE COMMISSIONER
[03:08:10] CALKINS ALSO LEFT THE MEETING. SO HERE JUST DOWN TO A QUORUM.
[03:08:16] COMMISSIONER CHO?
[03:08:18] NO QUESTIONS. THANKS. AND THEN COMMISSIONER FELLEMAN.
[03:08:25] I WILL SPARE YOU ANY FURTHER DISCUSSION. [LAUGHTER]
[03:08:28] IT'S GETTING LATE IN THE DAY. I APPRECIATE DAN THOMAS'S
[03:08:32] CLOSING REMARKS.
[03:08:36] I THINK AS I SAID EARLIER, I FEEL LIKE THAT THIS IS
[03:08:39] CONFIDENCE BUILDING IN TERMS THAT WE'RE DOING THE RIGHT
[03:08:42] THINGS IN ALL OF OUR LINES OF BUSINESS AND DIVISIONS AND
[03:08:47] BEING SMART ABOUT IT. WHAT I SEE GOING ON HERE IS WHAT I
[03:08:50] WOULD CALL IT THAT ADAPTIVE BUDGET MANAGEMENT.
[03:08:56] AS WE AS WE MOVE THROUGH THE YEAR WITH A LOT OF
[03:09:00] UNCERTAINTIES,
[03:09:02] WE'RE TRACKING THINGS CLOSELY AND WE'RE MAKING NECESSARY
[03:09:07] ADJUSTMENTS THROUGHOUT THE YEAR WITH OUR FINANCIAL MANAGEMENT

[03:09:13] AND MAKING NECESSARY COURSE CORRECTIONS AND LOOKING
[03:09:18] FOR OPPORTUNITIES TO REDUCE EXPENSES. AND I THINK THE
[03:09:22] NUMBERS DEMONSTRATE ALL OF THAT. AND SO I THINK IT IS AN
[03:09:25] UNPRECEDENTED YEAR THAT CALLS FOR THIS LEVEL OF ADAPTIVE
[03:09:30] BUDGET MANAGEMENT, IF YOU WILL, THAT I THINK IS BEING PRACTICED
[03:09:35] HERE IN A WAY THAT WE HAVEN'T DONE BEFORE. THAT'S ABOUT ALL I
[03:09:40] HAVE TO SAY EXCEPT TO EXTEND THANKS TO EXECUTIVE DIRECTOR
[03:09:44] METRUCK AND OUR FINANCIAL TEAM AND MANAGEMENT AT THE PORT.
[03:09:51] COMMISSIONER IF I COULD JUST ADD ONE MORE THING ON THAT. WE'VE
[03:09:54] HAD TO MAKE SOME HARD CHOICES
[03:09:57] BUT WE WILL HAVE TO MAKE SOME HARD CHOICES INTO THE
[03:10:00] FUTURE. I WANT TO PUT THAT OUT THERE. WE ARE JUST, AS
[03:10:03] YOU SAID, WE'RE ADAPTING TO THE CIRCUMSTANCES THAT WE'RE DOING
[03:10:06] AND WE'LL HAVE TO CONTINUE WITH THAT WITH SOME OF THESE BUT WE
[03:10:09] HAVE POTENTIAL AS WE LOOK FORWARD TO 2021 OF THIS
[03:10:13] STRETCHING OUT, YOU KNOW, THERE'S SOME POTENTIAL FOR
[03:10:15] HARDER CHOICES AHEAD OF US. SO
[03:10:18] YEAH, AND WE'RE NOT USING A BLUNT INSTRUMENT HERE. NO,
[03:10:23] SO THANKS FOR ALL YOUR INPUT. YES COMMISSIONER
[03:10:27] FELLEMAN? WE WILL NOT HAVE ANOTHER COMMISSION MEETING
[03:10:32] FOR THE MONTH OF AUGUST AND SO FOR ALL THE STAFF THAT MAKE
[03:10:36] THESE THINGS ONCE A WONDERFULLY CONGRATULATIONS. YOU CAN BE
[03:10:40] SPARED THIS EXERCISE AND I HOPE EVERYBODY ENJOYS THE LAST
[03:10:45] HOPEFULLY DAYS OF AUGUST AND HOPEFULLY THE SUN
[03:10:48] WILL CONTINUE TO SHINE IN TO SEPTEMBER. THANK YOU
[03:10:52] COMMISSIONER FELLEMAN. AND I IT MY INTENTION IN PLANNING OUR
[03:10:57] MEETING SCHEDULE TO PROVIDE A LITTLE BIT OF RELIEF AT THE END
[03:11:01] THIS THESE LATTER TWO WEEKS OF AUGUST TO STAFF AND
[03:11:06] COMMISSIONERS. IT'S BEEN A CHALLENGING DIFFICULT YEAR TO
[03:11:11] SAY THE LEAST AND IT'S BEEN EXTRAORDINARY TIME AND EFFORT
[03:11:14] THAT EVERYBODY HAS PUT INTO THE SO I DO HOPE THAT WITH THIS
[03:11:19] SHORT BREAK NOT THAT THINGS ARE GOING TO COME TO A HALT BUT AT
[03:11:22] LEAST YOU WILL TAKE TIME FOR YOURSELVES, YOUR
[03:11:25] FAMILIES, AND YOUR PERSONAL HEALTH AND WELL-BEING.
[03:11:29] COMMISSION PRESIDENT STEINBREUCK BEFORE WE CONCLUDE
[03:11:33] TODAY. I BELIEVE EXECUTIVE DIRECTOR METRUCK WOULD LIKE THE
[03:11:36] FLOOR. YOU MAY HAVE THAT. THANKS AND THEN WE'LL WRAP THINGS UP.
[03:11:41] THANKS. I DID WANT, I THINK JEFFREY BROWN'S ON THE LINE. I
[03:11:45] THINK JEFFREY WANTED TO CORRECT THE RECORD ON
[03:11:48] SOMETHING THAT WAS SAID REGARDING SUPERSONIC TRANSPORT.
[03:11:51] AND SO I THINK IT WOULD BE RELEVANT TO CORRECT IT HERE.
[03:11:54] EFFREY ARE YOU AVAILABLE TO DO THAT? YES. I'M
[03:11:58] HERE. CAN YOU HEAR ME? YES. YEAH. THANK YOU
[03:12:02] STEVE. THANKS FOR GIVING THE OPPORTUNITY TO RESPOND TO A
[03:12:05] COMMENT THAT WAS MADE IN THE PUBLIC SESSION. NORMALLY WE
[03:12:08] DON'T RESPOND TO COMMENTS IN A PUBLIC SESSIONS BECAUSE I
[03:12:11] DON'T THINK IT'S GOOD PRACTICE BUT GIVEN THE STATEMENT THAT
[03:12:15] WAS MADE I THINK IT'S VERY IMPORTANT THAT I MAKE A
[03:12:17] STATEMENT. THE STATEMENT I THINK WAS MADE BY THE FIRST PERSON
[03:12:21] REGARDING SUPERSONIC FLIGHTS. AND THAT INDICATED
[03:12:26] THAT LANCE LYTTLE, MANAGING DIRECTOR HAD AGREED TO
[03:12:29] THE OPERATION OF SUPERSONIC FLIGHT AT THE AIRPORT NEXT
[03:12:32] YEAR. SO I WANT TO PROVIDE SOME CONTEXT AND SOME FACTS. THE ONLY
[03:12:37] AIRCRAFT THAT'S ALLOWED AT THAT CERTIFIED FOR
[03:12:41] MANUFACTURE OF SUPERSONIC [INAUDIBLE]
[03:12:45] COMPANY IS NO LONGER MADE. THREE FIRMS ARE PROPOSING TO
[03:12:49] MANUFACTURE SUPERSONIC AIRCRAFT, BUT BEFORE THEY COULD
[03:12:52] DO THAT THEY HAVE TO MEET STANDARDS. EARLIER THIS YEAR
[03:12:57] THE FAA PUBLISHED WHAT'S CALLED A NOTICE OF
[03:13:00] RULEMAKING TO SET THESE STANDARDS. THANKS TO THE
[03:13:04] ALERTNESS OF OUR ENVIRONMENTAL STAFF, IT WAS BROUGHT TO OUR
[03:13:07] ATTENTION THAT THESE STANDARDS WOULD BE LOWER THAN OUR
[03:13:11] CURRENT NOISE STANDARDS. SO LANCE SENT A LETTER TO THE FAA

[03:13:15] IN JULY EXPRESSING OUR CONCERNS ABOUT THE STANDARDS IF APPROVED
[03:13:19] AND IMPACT WOULD HAVE ON A NOISE SENSITIVE COMMUNITY.
[03:13:23] SO CURRENTLY THE STANDARDS ARE JUST TRYING TO BE ESTABLISHED.
[03:13:27] AND BEFORE THEY COULD MANUFACTURE AIRCRAFT, STANDARDS
[03:13:30] HAVE TO BE MET. REGARDING THE AVAILABILITY OF COMMERCIAL
[03:13:34] SUPERSONIC AIRCRAFT, THERE'S NONE CURRENTLY AVAILABLE TODAY
[03:13:37] AND THERE WILL BE NONE AVAILABLE IN THE NEXT A LONG
[03:13:41] TIME BEFORE ANY COMMERCIAL AIR TRAVEL AVAILABLE. IN FACT
[03:13:45] YESTERDAY LAST NIGHT, WE HAD THE NOISE WORKING GROUP OF THE
[03:13:49] COMMUNITY CONVENE AND THE CONSULTANT THAT PRESENTED
[03:13:53] INDICATED THAT IT WOULD BE FIVE OR MORE YEARS BEFORE COMMERCIAL
[03:13:56] AIRCRAFT, SUPERSONIC AIRCRAFT AVAILABLE FOR A TEST FLIGHT OR
[03:14:00] FOR ANY REVENUE OPERATING FLIGHT. SO WITH THAT
[03:14:04] [INAUDIBLE]
[03:14:06] HOPEFULLY TO CORRECT ANY STATEMENT THAT WAS MADE
[03:14:09] REGARDING SUPERSONIC CLASS.
[03:14:13] JEFF BROWN, THANKS VERY MUCH FOR FOR THAT CLARIFICATION.
[03:14:17] IT'S IMPORTANT TO UNDERSTAND WHAT THE FACTS ARE AND WHAT
[03:14:22] THEY AREN'T. THE LETTER IS
[03:14:25] AVAILABLE. IT'S NOT A PRIVATE DOCUMENT.
[03:14:29] WE ARE CLOSING AND NOW ON
[03:14:35] ADJOURNMENT. WE DO HAVE ITEM 10 COMMITTEE REFERRAL BEFORE
[03:14:40] ADJOURNMENT. I WOULD ASK COMMISSIONERS IF THERE ARE ANY
[03:14:43] COMMENTS OR MOTIONS RELATING TO COMMITTEE REFERRALS. I DON'T
[03:14:49] KNOW OF ANY AND WE'RE DOWN TO CHO FELLEMAN AND MYSELF SO
[03:14:55] SPEAK UP OR HOLD YOUR PEACE HERE.
[03:15:00] OKAY, AND WE TYPICALLY DON'T HAVE COMMITTEE REFERRALS. MAYBE
[03:15:04] THAT'S SOMETHING WE SHOULD LOOK INTO AND EXPLORE THAT AS
[03:15:09] ITS UTILITY
[03:15:12] WITH REGARD TO PROCESS. ARE THERE ANY FINAL COMMENTS FROM
[03:15:16] COMMISSIONERS?
[03:15:18] OKAY. I THINK WE HAVE HAD A GOOD DAY OF
[03:15:24] MEETING TOPICS AND PRESENTATION. SO WITH THAT
[03:15:29] HEARING NO FURTHER COMMENTS, WE'RE NOW ADJOURNED AT 3:18.
[03:15:33] THANK YOU VERY MUCH. THANKS.

END OF TRANSCRIPT