



P.O. Box 1209
Seattle, Washington 98111
www.portseattle.org
206.787.3000

APPROVED MINUTES COMMISSION SPECIAL MEETING OCTOBER 13, 2020

The Port of Seattle Commission held a special meeting, Tuesday, October 13, 2020, as a commission study session. The study session was held remotely in accordance with the governor's 'Safe Start' order and Proclamation 20-28. Commissioners Bowman, Calkins, Cho, Felleman, and Steinbrueck were present.

The meeting convened approximately at 9:00 a.m.

Presentation materials included a packet containing the following documents:

[Memorandum](#)
[Aviation CIP Presentation](#)
[Forecasting Methodology](#)
[Aviation Operating Budget](#)

Presenters:

Lance Lyttle, Managing Director, Aviation
Keri Stephens, Aviation Capital Programs Manager
Borgan Anderson, Director, Aviation Finance
Jeffrey Brown, Aviation Chief Operating Officer
Michael Drollinger, Director of Business Intelligence

Commissioners and staff met in a study session to continue the discussion from the September 22, 2020 study session, regarding the Aviation Capital Improvement Program (CIP). The purpose of the session also included a presentation of Peer Review results and forecasting methodology and review of the Airport Operational budget.

Executive Director Metruck introduced the study session and presenters.

Mr. Lance Lyttle, Managing Director of Aviation, spoke to the vision of the airport, obtaining optimal levels of service, the budget process strategy, aligning the budget with the vision, and strategic priorities informing the long-term vision, outcomes, and metrics.

Members of the Commission and staff discussed:

- how the annual score card ties to strategic priorities with respect to key performance indicators;
- the inclusion of air and noise monitoring in port strategic priorities;

- the need for environment and sustainability to encompass more than greenhouse gas challenges; and
- customer experience.

Mr. Borgan Anderson continued the presentation addressing the funding plan for 2021- 2025, cash flow representations for all projects, and the status of the three mega projects currently in process.

Commission discussion ensued regarding:

- items left in completion for the International Arrivals Facility and funding to cover project overages;
- how an additional stimulus package from the government related to relief to airports and airlines may impact the capital budget and prioritization of projects;
- grant funding or CARES Act funding and how it could be used to address costs;
- the Port's theoretical debt limit over the next 5 years;
- status of projects at the airport;
- lounges and the relationship with Airport Dining and Retail (ADR) tenants; and
- airline realignment.

Mr. Jeffrey Brown continued the presentation discussing the Peer Review effort and recommendations and findings that came from that process.

Mr. Michael Drollinger spoke regarding ranges of outcomes in forecasting methodology, passenger level recovery, and levels of uncertainty related to Covid-19.

Lance Lytle presented the Aviation Division's 2021 budget to the Members of the Commission and Borgan Anderson spoke to aviation operating budget challenges. The presentation included:

- an overview of the 2020 SWOT strength, weaknesses, opportunities, and threats analysis;
- passenger recovery forecasts;
- 2021 budget priorities;
- total airport expenses;
- passenger facilities charges proposed;
- 2020 operating budget risks; and
- the financial forecast for 2020 – 2025.

Commission discussion continued regarding:

- struggles in attaining potential tenants;
- virtual queuing; and
- reserve funding.

Commission President Steinbrueck asked Commissioners to submit further questions they have regarding the budget to staff for follow-up.

**PORT COMMISSION SPECIAL MEETING MINUTES
TUESDAY, OCTOBER 13, 2020**

The meeting adjourned at 11:25 a.m.

Prepared:

Attest:

Michelle M. Hart, MMC, Commission Clerk

Sam H. Cho, Commission Secretary

Minutes approved: October 27, 2020.

.