

START OF TRANSCRIPT

[00:00:28] GOOD MORNING THIS IS COMMISSIONER STEPHANIE BOWMAN CALLING TO ORDER
[00:00:31] THE PORT OF SEATTLE AUDIT COMMITTEE MEETING TODAY IS FRIDAY JANUARY 29
[00:00:36] TH 2,021 AND THE TIME IS 9 34
[00:00:39] WE'RE MEETING REMOTELY TODAY VIA TEAM'S PLATFORM TO COMPLY
[00:00:43] WITH THE GOVERNOR'S SAFE START STAY HEALTHY ORDER AND IN ACCORDANCE
[00:00:46] TO PROCLAMATION 20 28 PRESENT WITH ME TODAY
[00:00:50] IS COMMITTEE MEMBER SAM CHO AND PUBLIC MEMBER CRIS
[00:00:54] KIRKE WELL THE CLERK PLEASE CALL THE ROLL TO ENSURE THAT ALL COMMITTEE MEMBERS
[00:00:58] ARE ONLINE THANK YOU COMMISSIONER BEGINNING WITH CHRISTINA
[00:01:02] GERKE I AM HERE THANK YOU COMMISSIONER TO
[00:01:08] IT THANK YOU COMMISSIONER BOMB AND WE DO HAVE
[00:01:11] A FULL COMMITTEE THIS MORNING EXCELLENT AS
[00:01:15] THIS IS A VIRTUAL MEETING WE'VE MADE SPECIAL ARRANGEMENTS TO PROVIDE FOR
[00:01:19] REMOTE PARTICIPATION FOR ALL OF OUR STAFF OUTSIDE PRESENTERS
[00:01:22] AND COMMITTEE MEMBERS ALSO PLEASE NOTE THAT ALL FOLKS
[00:01:26] COMMENTS AND QUESTIONS TODAY WILL BE TAKEN BY THE ROLL CALL METHOD
[00:01:30] AS A RESULT OF OUR VIRTUAL ENVIRONMENT TO BE EQUITABLE WE WILL ASK ALL
[00:01:34] COMMITTEE MEMBERS TO SPEAK IN TURN AND WAIT TO BE RECOGNIZED BEFORE
[00:01:37] SPEAKING AS MUCH AS POSSIBLE TO MAKE
[00:01:40] THIS MEETING MORE ACCESSIBLE TO THE PUBLIC THIS MEETING IS BEING LIVE
[00:01:44] STREAMED AND DIGITALLY RECORDED AND MAY BE VIEWED OR HURT AT ANY TIME
[00:01:47] ON THE PORTS WEBSITE AND THEN JUST A HOUSEKEEPING NOTE ITEM
[00:01:51] NUMBER FOUR GROUND TRANSPORTATION TAXICABS
[00:01:54] HAS BEEN REMOVED FROM TODAY'S AGENDA AND WILL BE RESCHEDULED SO
[00:01:59] THE FIRST ORDER OF BUSINESS TODAY IS APPROVAL OF THE MINUTES FROM THE DECEMBER 10
[00:02:03] TH 2,020 AUDIT COMMITTEE MEETING ARE THERE ANY CORRECTIONS TO THE
[00:02:06] MINUTES ALRIGHT CARRIE
[00:02:10] NONE IS THERE A MOTION AND A SECOND TO APPROVE THE MINUTES COMMISSIONER
[00:02:15] SO TO MOVE OKAY
[00:02:21] I BELIEVE I WILL SECOND MAY SECOND MICHELLE
[00:02:25] DO WE NEED YES CHRISTINA IS NOT
[00:02:28] A VOTING MEMBER FOR THE POS I ALWAYS FORGET THAT AWKWARDNESS
[00:02:33] ALRIGHT OKAY SO IT'S BEEN MOVED AND SECONDED
[00:02:37] ALL THOSE IN FAVOR SAY AYE HI
[00:02:41] GREAT MICHELLE DO WE NEED TO ACTUALLY CALL ON THIS
[00:02:45] NO YOU CAN DO A UNANIMOUS CONSENT AND JUST NOTE FOR THE RECORD THAT THE
[00:02:48] MINISTER APPROVED GREAT THANK YOU SO THE MINUTES ARE APPROVED AS
[00:02:53] PRESENTING ALL RIGHT OUR NEXT IN MY BUSINESS IS EXTERNAL AUDITS
[00:02:57] AND THE TOPIC IS THE OFFICE OF THE WASHINGTON STATE AUDITOR ACCOUNTABILITY
[00:03:01] AUDIT FOR 2,019 THIS IS THE EXIT CONFERENCE
[00:03:05] PRESENTATION PRESENTERS PLEASE UNMUTE YOURSELF COMMITTEE MEMBERS
[00:03:10] WILL REMAIN MUTED UNTIL THE PRESENTATION IS COMPLETE AT
[00:03:13] THAT TIME I WILL CALL ON EACH OF YOU TO ASK QUESTIONS OR MAKE
[00:03:16] COMMENTS MR FERNANDEZ WE PLEASE INTRODUCE THIS ITEM AND OUR PRESENTERS
[00:03:21] THANK YOU VERY MUCH COMMISSIONER TODAY WE'RE GOING
[00:03:24] TO HAVE THE 2,019 ACCOUNTABILITY AUDIT WE'VE
[00:03:27] GOT JOKES AND THEN MADELINE SHAPE OF FROST AND MASSIVE
[00:03:32] FROST SHAPER GET THAT CORRECT AND ANGELA ANGELA FOR NEMORIN FROM
[00:03:36] THE STATE AUTOS OF 17 PERCENTING MICHELLE IF YOU COULD PULL UP
[00:03:40] THE POWERPOINT DECK THAT THEY PROVIDED AND THEN I'LL HAND IT
[00:03:43] OVER TO JOE AND MADE TO AN
[00:03:47] ANGEL TO START WITH PRESENTATION GIVE ME JUST A MOMENT HERE YOU SHOULD
[00:03:51] BE SEEING AT ANY TIME VERY QUICK AND SEE IT
[00:03:55] THANK YOU THANK
[00:03:58] YOU GLENN AS BEN SAID MY NAME IS JOSEPH AND I'M THE MANAGER
[00:04:02] HERE IN SEATTLE FOR PALATIS THAT ARE CONDUCTED STATE
[00:04:05] AUDITOR'S OFFICE IN THE CITY OF SEATTLE AND MADDIE IS THE
[00:04:09] SUPERVISOR ON THE PORTS AUDIT AND ANGELA WAS
[00:04:13] THE LEAD AUDITOR AND ONE THING TO
[00:04:16] NOTE IS THIS IS OUR PRESENTATION WE ALSO SENT YOU A
[00:04:20] PACKET INCLUDING THE PRESENTATION AND A DRAFT

[00:04:24] OF THE REPORT AND SOME MORE DETAIL RELATED
[00:04:27] TO OUR EXIT CONFERENCE INFORMATION BUT FOR THIS
[00:04:31] PURPOSE WE'RE GOING TO COVER MORE OF THE HIGHLIGHTS BUT IF YOU HAVE
[00:04:35] ANY QUESTIONS ABOUT WHAT IS IN THE PACKET PLEASE LET US KNOW AT ANY POINT
[00:04:39] AND ON THE NEXT SLIDE WE
[00:04:43] HAVE OUR STATE AUDITOR PATENT CARTHY AND
[00:04:46] THEN ALSO WANT TO KNOW MARK PROPOSE IS OUR DEPUTY DIRECTOR
[00:04:50] OF LOCAL AUDIT AND HE'S RESPONSIBLE FOR SEVERAL TEAMS
[00:04:54] IN WESTERN WASHINGTON AND THEN WE ALSO HAVE KELLY COLLINS WHO'S THE DIRECTOR OF LOCAL
[00:04:58] AUDIT AND ON THE NEXT SLIDE WE JUST
[00:05:02] TALK A LITTLE BIT ABOUT OUR OFFICE I KNOW
[00:05:05] MOST OF YOU ARE PRETTY FAMILIAR WITH WHAT WE DO THAT WE INDEPENDENTLY
[00:05:10] AUDIT GOVERNMENTS AND STATE AGENCIES ACROSS
[00:05:13] THE STATE WE'RE INDEPENDENT ORGANIZATION REPORTING
[00:05:16] TO A SEPARATE ELECTED OFFICIAL PAT MCCARTHY THAT WE DEFINITELY
[00:05:21] BELIEVE EVERYTHING WE HAVE HERE THAT WE ONE OF THE THINGS WE DO IS
[00:05:24] WE BELIEVE WE HELP PRESTRESSED AND GOVERNMENT THROUGH BEING INDEPENDENT AUGOOD ORGANIZATION
[00:05:28] AND THEN ALSO PROVIDE INDEPENDENT TRANSPARENT EXAMINATIONS
[00:05:33] THAT WE PROVIDE TO THE PUBLIC AND THEN WHEN WE DO HAVE RECOMMENDATIONS
[00:05:37] WE LOOK AT IT AS A WAY TO HELP IMPROVE EFFICIENCY AND EFFECTIVENESS OF A
[00:05:40] GOVERNMENT AND WE CAN'T LOOK AT EVERY AREA IN
[00:05:44] EVERY AUDIT BUT WE DO PROVIDE CONFIDENCE IN THOSE AREAS THAT
[00:05:47] WE LOOKED AT THAT OPERATIONS ARE IN COMPLIANCE
[00:05:51] SO ON THE NEXT SLIDE JUST HAVE A LITTLE
[00:05:55] BIT MORE SPECIFIC ON THIS AUDIT
[00:05:58] SO THE MAIN OVERVIEW IS
[00:06:02] I ALWAYS WANT TO START WITH SAYING THAT IT WAS A CLEAN AUDIT
[00:06:06] SO WE DID NOT HAVE ANY AUDIT FINDINGS FOR
[00:06:09] THIS AUDIT AND WE ALSO DIDN'T HAVE ANY MANAGEMENT
[00:06:12] LETTER ITEMS WE DID HAVE SOME RECOMMENDATION AT A LOWER LEVEL
[00:06:16] THAT WE CALL EXIT ITEMS THAT WE DON'T GO INTO IT AT THIS
[00:06:20] LEVEL BUT WE DID PROVIDE THE MANAGEMENT BUT AGAIN KEY TAKEAWAY
[00:06:24] WAS A CLEAN AUDIT THAT WE DON'T LOOK AT EVERY
[00:06:27] AREA AS I SAID BUT IN THE AREAS THAT WE DID REVIEW THAT WE DID
[00:06:29] FIND THAT THE PORT OPERATIONS APPLIED IN ALL MATERIAL RESPECTS WITH APPLICABLE STATE LAWS
[00:06:33] REGULATIONS SUPPORT ON POLICIES AND PROCEDURES AND
[00:06:37] PRIDE OUT OF CONTROLS OVER THE SAFEGUARDING OF PUBLIC RESOURCES SO
[00:06:42] THAT'S DEFINITELY A CREDIT TO FOR
[00:06:45] STAFF PORT MANAGEMENT SO DEFINITELY ALWAYS WANT TO START
[00:06:48] OFF WITH THAT AND THEN ONE THING I ALWAYS LIKE TO ADD IS ALTHOUGH
[00:06:52] THE PERIOD IS 2,019 FOR OUR ACCOUNTABILITY AUDIT WE
[00:06:56] MAY AND DID IN THIS AUDIT LOOK A LITTLE FURTHER INTO WHAT
[00:07:01] WOULD HAVE BEEN THE YEAR THAT WE CONDUCTED THE AUDI 2,020 SO WE
[00:07:04] DO LOOK INTO THINGS BEYOND THAT PERIOD WHERE WE FEEL LIKE IT MAY BE
[00:07:08] HELPFUL TO BE ABLE TO MAKE RECOMMENDATIONS OR REVIEW A NEW AREA SOONER
[00:07:12] THAN LATER SO YOU JUST WANT TO MAKE THAT NOTE WHEN WE GET INTO TO
[00:07:15] TALK ABOUT THE AREAS WE LOOKED AT SO WITH THAT CAN
[00:07:18] MOVE ON TO THE NEXT SLIDE AND THEN I'LL INTRODUCE ANGELA
[00:07:22] WHO WILL WALK THROUGH MORE DETAIL ABOUT WHAT WE DID LOOK AT IN THIS AUDIT
[00:07:26] YES THANK YOU JOE SO IN THIS
[00:07:29] SITE HERE IN ORDER FOR US TO SELECT SPECIFIC AREAS
[00:07:33] TO REVIEW WE CONDUCTED A NUMBER OF PLANNING PROCEDURES THAT
[00:07:38] INCORPORATED REVIEWING THE MEANING MINUTES OF THE GOVERNING BODY ANALYZING
[00:07:42] TRENDS AND FINANCIAL DATA THIS INCLUDES PAYROLL
[00:07:46] VENDOR INFORMATION AND CREDIT CARDS AND WE ALSO CONDUCTED
[00:07:50] RISK ASSESSMENTS WITH SEVERAL KEY STAFF AND A COMMISSIONER FROM
[00:07:55] THE INFORMATION WE GATHERED WE BRAINSTORM THE VARIOUS AUDIT AREAS
[00:07:59] THAT INDICATED POTENTIAL RISK OF NON COMPLIANCE AND
[00:08:03] AS A RESULT INCLUDED ON THIS SLIDE ARE THE AREAS THAT WE SELECTED
[00:08:07] FOR FURTHER TESTING AND
[00:08:11] IF WE GO TO THE NEXT SLIDE OKAY THANK
[00:08:15] YOU SO THE FIRST AREA WE WOULD LIKE TO DISCUSS IS PAYROLL
[00:08:20] SPECIFICALLY OVERTIME AND DOUBLE TIME WE REVIEWED

[00:08:24] THE PORTS POLICIES AND PROCEDURES OVER THIS AREA AND CONDUCTED DETAILED
[00:08:28] TESTING ON SPECIFIC TRANSACTIONS OUR AUDIT
[00:08:32] DETERMINED THE PORTS INTERNAL CONTROLS ARE WORKING EFFECTIVELY AND
[00:08:35] NO SIGNIFICANT RECOMMENDATIONS WERE IDENTIFIED WE
[00:08:39] DID HOWEVER IDENTIFY AN AREA OF OPPORTUNITY FOR THE PORT TO STRENGTHEN
[00:08:44] ITS INTERNAL CONTROLS THIS AREA IS RELATED TO TIMESHEET
[00:08:47] APPROVALS AS JOE MENTIONED WE PROVIDED
[00:08:51] MANAGEMENT WITH THE EXIT RECOMMENDATION FOR THEIR CONSIDERATION AND
[00:08:56] EXIT ITEMS ADDRESS CONTROLLED DEFICIENCIES OR NOT COMPLIANCE
[00:09:00] WITH LAWS OR REGULATIONS THAT HAVE AN INSIGNIFICANT EFFECT ON
[00:09:03] THE ENTITY WE ALSO WOULD LIKE TO KNOW EXIT ITEMS
[00:09:07] ARE NOT REFERENCED IN THE AUDIT REPORT WE WORKED
[00:09:12] WITH MANY INDIVIDUALS DURING PAYROLL AND WE'D LIKE TO THINK DWAYNE
[00:09:16] KAREN JENNY ANN AND BRENDA LYN
[00:09:20] AND LISA AND THEIR STAFF FOR THEIR ASSISTANCE AND TIMELY
[00:09:23] RESPONSES WE
[00:09:28] CAN GO TO THE NEXT SLIDE THE
[00:09:33] SECOND AREA WE'D LIKE TO DISCUSS IS THE RENT REFERRAL PAYMENT PLAN
[00:09:38] DURING THE PLANNING STAGES OF OUR AUDIT WE IDENTIFIED
[00:09:41] THAT THE PORT CREATED AND IMPLEMENTED THIS PAYMENT PLAN AS
[00:09:45] A WAY TO ENSURE FINANCIAL SUPPORT TO THE
[00:09:48] LOCAL ECONOMY AND TO PROTECT THE PORTS ASSETS WE GAINED
[00:09:53] AN UNDERSTANDING OF THE PORTS PROGRAM ENSURE THE PROGRAM WAS APPROVED
[00:09:57] BY THE COMMISSIONERS AND REVIEW THE PROGRAM TO ENSURE IT COMPLIED WITH
[00:10:01] STATE LAW AND PORT POLICY WE ARE
[00:10:05] PLEASED TO REPORT OUR AUDIT DETERMINE THE PORTS AND
[00:10:08] TRAIL CONTROLS ARE WORKING EFFECTIVELY AND NO SIGNIFICANT RECOMMENDATIONS
[00:10:12] WERE IDENTIFIED IN THIS AREA WE WOULD LIKE TO HIGHLIGHT
[00:10:16] LISA LAND AND RUDY CALUSA FOR THEIR ASSISTANCE AND TIMELY RESPONSES
[00:10:21] WHILE REVIEWING THE PORTS RENT DEFERRAL PAYMENT PLANS
[00:10:28] AND THEN IN OUR NEXT SLIDE THE
[00:10:32] THIRD AREA WE WOULD LIKE TO DISCUSS OUR CREDIT CARDS WHEN
[00:10:36] REVIEWING THIS AREA WE REVIEWED THE PORTS POLICIES AND PROCEDURES GAINED
[00:10:41] AN UNDERSTANDING OF THE PORTS INTERNAL CONTROLS AND SELECTED TRANSACTIONS
[00:10:45] TO ENSURE THAT THESE TRANSACTIONS COMPLIED WITH PORT POLICIES
[00:10:49] THEY WERE SUPPORTED AND VALID OUR
[00:10:52] AUDIT DETERMINED THE PORTS INTERNAL CONTROLS ARE WORKING EFFECTIVELY
[00:10:56] AND NO SIGNIFICANT RECOMMENDATIONS WERE IDENTIFIED AND
[00:11:00] DURING THIS AREA WE APPRECIATE CARMEL AND CARRY RESPONDING TO
[00:11:05] QUESTIONS REGARDING THIS THIS AUDIT AREA TIMELY AND
[00:11:12] THEN IN OUR NEXT SLIDE OUR LAST AREA
[00:11:15] THAT WE WOULD LIKE TO DISCUSS IS FINANCIAL CONDITION
[00:11:19] WE PERFORMED A KIND OF KEY FINANCIAL INDICATORS
[00:11:23] ASSESSED ADDITIONAL NONFINANCIAL INFORMATION TO IDENTIFY
[00:11:27] POTENTIAL IMPACTS AND ANALYZE SUPPORTS RESPONSE TO COVID
[00:11:31] AND THIS INCLUDES MONITORING PERFORMED BY MANAGEMENT OUR
[00:11:36] AUDIT DETERMINED THE PORTS INTERNAL CONTROLS ARE WORKING EFFECTIVELY
[00:11:39] AND NO ISSUES NOTED IN THE PORTS FINANCIAL
[00:11:44] CONDITION OR SUSTAINABILITY AND LASTLY
[00:11:47] WE WOULD LIKE TO THANK MICHAEL TON FOR ASSISTANCE AND TIMELY
[00:11:50] RESPONSES AND
[00:11:56] STEP AS FAR AS THE AUDIT AREAS I WILL
[00:12:00] GO AHEAD AND PASS IT OFF TO MATTIE OKAY
[00:12:04] SO I HAVE A FEW OTHER ITEMS TO GO THROUGH JUST
[00:12:07] TO WRAP UP OUR PRESENTATION THE FIRST OFF WE WANTED TO BE
[00:12:10] SURE YOU'RE AWARE OF A NEW TOOL OUR OFFICE RELEASED IN 2,019 CALLED TRACKER
[00:12:15] TRACKER IS AVAILABLE THROUGH THE CLIENT PORTAL AND ALLOWS YOU TO LOOK AT
[00:12:18] PRIOR AUDIT RECOMMENDATIONS INCLUDING FINDINGS AND MANAGEMENT
[00:12:21] LETTERS AND ALSO PROVIDE STATUS UPDATES TO THE RESPONSE TO THE FINDINGS AND
[00:12:25] MANAGEMENT LETTERS WHILE YOUR STAFF CAN VIEW THE
[00:12:29] AUDIT STATUS OF THE FINDINGS AND MANAGEMENT LETTERS IT'S IMPORTANT TO
[00:12:32] NOTE THAT THE STATUS OF FINDINGS IS ALSO AVAILABLE TO THE PUBLIC AS
[00:12:35] WELL AND THEN ON THE NEXT SLIDE WE JUST

[00:12:39] WANT TO REMIND YOU THAT WE REVIEW THE WORK ABOUT THEIR
[00:12:43] AUDITORS IN THIS CASE MOSS ADAMS WHO PERFORMS THE FINANCIAL STATEMENT AND FEDERAL
[00:12:47] GRANT AUDIT DURING OUR PLANNING PROCEDURES TO SEE IF
[00:12:50] THERE'S ANY WORK WE CAN LEVERAGE OR IF THEY ARE AT IDENTIFIED ANY POTENTIAL
[00:12:53] RISKS FOR US TO CONSIDER AS WELL WE ALSO REVIEW THE WORK IN
[00:12:57] ORDER TO ENSURE WE CAN PLACE RELIANCE ON IT AND IN THIS CASE WE NOTED
[00:13:00] NO CONCERNS WITH THEIR WORK OR THEIR QUALITY OF THEIR WORK AND
[00:13:05] THEN ON THE NEXT SLIDE JUST A FEW CLOSING REMARKS AT THE ENTRANCE CONFERENCE WE
[00:13:09] DID PROVIDE ESTIMATED AUDIT COSTS AND I'M PLEASED TO REPORT THAT OUR
[00:13:12] ACTUAL AUDIT COSTS ARE IN ALIGNMENT WITH OUR ORIGINAL ESTIMATE OUR NEXT
[00:13:16] AUDIT WILL BE IN FALL 2,021 AND WILL ONCE AGAIN BE AN ACCOUNTABILITY
[00:13:20] AUDIT AND WE PROVIDED THE ESTIMATED COST OF THAT
[00:13:23] AUDIT IN THE EXIT PACKET FOR BUDGETING PURPOSES AND
[00:13:29] ON THE NEXT SLIDE WE EXPECT TO PUBLISH YOUR
[00:13:32] AUDIT REPORT IN THE NEXT ONE TO 2 WEEKS IT WILL BE PUBLISHED ON OUR
[00:13:35] WEBSITE AND IF YOU HAVEN'T ALREADY YOU CAN SIGN UP TO BE NOTIFIED ON OUR
[00:13:39] WEBSITE WHEN THAT REPORT IS RELEASED TO THE
[00:13:43] PUBLIC WHEN YOU SIGN UP FOR ALERTS YOU'LL ALSO
[00:13:46] GET EXCITING NEW NEWS ARTICLES AND RESOURCES
[00:13:50] OR OFFICE PUBLISHES WE'RE ALWAYS PUBLISHING NEW AND EXCITING RESOURCES TO HELP GOVERNMENTS
[00:13:54] WHEN WE PUBLISH THE AUDIT REPORT WE WILL ALSO SEND
[00:13:58] YOU A LINK TO AN AUDIT SURVEY WE REALLY APPRECIATE YOU TAKING THE TIME
[00:14:01] TO FILL THAT OUT AND LET US KNOW HOW WE DID DURING THE AUDIT AND
[00:14:05] WHAT WE CAN DO TO BETTER MEET YOUR NEEDS YOU CAN ALSO FORWARD THAT LINK
[00:14:08] TO ANYONE ELSE INVOLVED IN THE AUDIT PROCESS THAT YOU FEEL CAN PROVIDE FEEDBACK ON
[00:14:12] THE AUDIT AND
[00:14:15] THEN LASTLY WE DO REALLY WANT TO THANK ON
[00:14:18] THE NEXT SLIDE WE DO REALLY WANT TO THANK EVERYONE
[00:14:22] AT THE PORT THROUGHOUT THE AUDIT PROCESS I KNOW IT WAS A LITTLE BIT DIFFERENT
[00:14:25] THIS YEAR WORKING REMOTE SO WE REALLY DO APPRECIATE THE
[00:14:29] PORTS COMMUNICATION THROUGHOUT THE AUDIT PROCESS GIVEN IT WAS A VERY DIFFERENT YEAR
[00:14:33] THIS YEAR IN PARTICULAR WE WANT TO THANK DEBBIE RUDY
[00:14:36] AND GLENN AND DON KELLY THEY MET WITH US ON A WEEKLY
[00:14:40] BASIS WHERE WE TALKED ABOUT WHERE WE AT WITH THE AUDIT PROCESS AND THEY FOLLOWED
[00:14:43] UP ON A REQUEST UNNEEDED WE'D ALSO LIKE TO THANK MELANIE FOR MAKING SURE WE
[00:14:46] HAD EVERYTHING WE NEEDED TO FINISH OUR AUDIT AND
[00:14:52] THEN ONE LAST REMINDER WE DO HAVE OTHER
[00:14:55] ON THE NEXT SLIDE WE HAVE TWO TEAMS THAT ARE AVAILABLE
[00:14:59] AT OUR OFFICE AS WELL THEY'RE AVAILABLE AT NO EXTRA CHARGE THE FIRST IS OUR
[00:15:03] LOCAL GOVERNMENT SUPPORT TEAM AND THEY'RE AVAILABLE TO ASSIST IN
[00:15:06] YOUR ONLINE FILING PROCESS THEY ALSO HAVE A TECHNICAL
[00:15:10] HELP US SO YOU CAN ASK QUESTIONS AND THEN WE HAVE OUR CENTER FOR GOVERNMENT
[00:15:14] THAT IS ALWAYS LOOKING FOR WAYS TO HELP IMPROVE GOVERNMENT THEY'RE
[00:15:18] PUBLISHING NEW AND EXCITING RESOURCES EVERY DAY AND THEY ARE ALSO ABLE
[00:15:22] TO PERFORM TRAININGS INCLUDING LEAN TRAININGS AS WELL AND THESE TEAMS
[00:15:26] ARE AVAILABLE AT NO ADDITIONAL AUDIT COST AND
[00:15:31] THEN ON THE NEXT SLIDE THAT
[00:15:36] IS OUR PRESENTATION PLEASE LET US KNOW IF YOU HAVE ANY QUESTIONS
[00:15:39] BUT ONCE AGAIN WE REALLY APPRECIATE YOU BEING HERE TODAY AND TAKING THE TIME
[00:15:43] TO LISTEN TO AUDIT RESULTS EXCELLENT
[00:15:47] COMMUNITY MEMBERS PLEASE MUTE YOURSELF FOR QUESTIONS AND COMMENTS THE
[00:15:51] PRESENTERS WILL REMAIN UNMUTED A QUICK HEART PLEASE
[00:15:54] CALL THE ROLE THANK YOU BEGINNING WITH WE'LL
[00:15:58] START WITH MEMBER GERKE FOR QUESTIONS I DON'T HAVE ANY
[00:16:02] QUESTIONS THANK YOU THANK YOU MOVE INTO COMMISSIONER SO JUST
[00:16:06] TO CLARIFY ONE THING BECAUSE I'M THE NEW
[00:16:10] GUY IS THIS AUDIT DONE EVERY TWO YEARS IT LOOKS LIKE IT'S OVER
[00:16:13] TWO YEARS IS THAT NORMAL IT'S EVERY YEAR SO WE'RE
[00:16:17] A LITTLE BIT BEHIND THIS YEAR BUT WE'LL BE BACK ON SITE OR
[00:16:21] IN THE FALL TO AUDIT 20 20 OH
[00:16:26] SO THE FALL 20 21 IS FOR THE YEAR 20 20 EXACTLY
[00:16:30] WE'RE KIND OF ABOUT A YEAR BEHIND YEAH GREAT QUESTION
[00:16:34] THANK YOU COMMISSIONER TO COMMISSIONER BOMAN GREAT

[00:16:38] I DON'T HAVE ANY QUESTIONS JUST A COUPLE OF COMMENTS FIRST OF ALL MANY THANKS
[00:16:42] TO THE STATE AUDITOR'S OFFICE I'M EXCITED TO HEAR
[00:16:45] ABOUT THE TRACKING TOOL I'M SURE STAFF KNOWS ABOUT IT
[00:16:49] BUT THAT JUST SEEMS LIKE A GREAT EXTRA LEVERAGE FOR
[00:16:53] US TO BE ABLE TO MAKE SURE THAT WE KNOW WHAT'S GOING ON WITH ALL
[00:16:55] OF OUR AUDITS AND FOR THE PUBLIC MOST ESPECIALLY I
[00:16:59] GUESS I JUST ALSO WANT TO SAY CONGRATULATIONS TO OUR STAFF ALL
[00:17:02] OF OUR STAFF NOT JUST THE AUDIT COMMITTEE STAFF BUT
[00:17:06] ALSO JUST TO THE PORT I'M EXCITED TO HEAR AND LEARN
[00:17:10] THAT WE'VE HAD A CLEAN AUDIT PARTICULARLY ON THE CREDIT
[00:17:13] CARD PAYMENTS THAT'S ALWAYS A LITTLE BIT OF AN AREA OF CONCERN WITH
[00:17:17] LOCAL GOVERNMENT ESPECIALLY ONE AS LARGE AS OURS AND THEN ESPECIALLY
[00:17:22] ON THE RENT DEFERRAL PAYMENT THAT WAS JUST FOR THE AUDITOR'S
[00:17:25] OFFICE TO UNDERSTAND WE DID SPEND AN INCREDIBLE
[00:17:29] AMOUNT OF TIME LOOKING AT THAT PROGRAM BEFORE WE IMPLEMENTED IT SO THE
[00:17:32] COMMISSION WAS DEEPLY INVOLVED IT GIVES GOOD
[00:17:37] FEELINGS TO KNOW THAT WE'VE PASSED A CLEAN AUDIT ON IT IT WAS VERY
[00:17:41] WELL INTENTIONED BUT WE WANTED TO MAKE SURE THAT WE WERE VERY MUCH AWARE OF
[00:17:44] THE STATE'S PROHIBITION ON GIFT OF PUBLIC FUNDS SO
[00:17:47] THANK YOU FOR THAT ALL RIGHT
[00:17:52] WELL I GUESS WE ARE GOING TO MOVE ON TO OUR NEXT
[00:17:55] ITEM WHICH IS THE DELEGATION OH I'M SORRY EXCUSE
[00:17:59] ME WE'RE NOW ON THE OPERATIONAL AUDIT SECTION OF OUR AGENDA SO
[00:18:02] THAT'S ITEM NUMBER FIVE THE DELEGATION OF AUTHORITY THIS
[00:18:06] IS A CONTINUATION OF THE DISCUSSION FROM THE DECEMBER 10 TH 2,020
[00:18:10] MEETING ON THIS TOPIC GLENN PLEASE PROCEED VERY GOOD
[00:18:14] MICHELLE WE'VE GOT ONE MORE DECK I WANT TO SAY THANKS TO STATE
[00:18:18] DAUGHTERS BEFORE THEY DROP OFFICES IT'S ALWAYS GREAT WORKING
[00:18:21] WITH THEM AND WE HAVE GREAT PARTNERSHIPS SO ON
[00:18:26] THE SHELF BLOW UP THE DECK YEAH GIVE ME A MINUTE HERE IT'S
[00:18:30] KIND OF LAGGING A LITTLE BIT FOR ME ANGEL
[00:18:35] JAPAN TEAM THANK YOU VERY MUCH THAT'S WRONG PROBLEM OPEN DIDN'T
[00:18:39] THANK YOU GLENN AND THANK YOU ALL AND APPRECIATE
[00:18:42] AGAIN A GREAT WORKING RELATIONSHIP OVER THE YEARS OKAY
[00:18:49] ARE YOU SEEING THAT NOW IS PULLING UP THERE WE
[00:18:52] GO WONDERFUL SO THE NEXT
[00:18:56] SLIDE PLEASE MICHELLE SO TODAY
[00:18:59] WE'RE GOING TO TALK ABOUT ITEM TWO DELEGATION AUTHORITIES COMMISSIONER BOWMAN
[00:19:03] SAID IT'S A CONTINUATION OF THE DISCUSSION WE'RE GOING TO SKIP THE
[00:19:06] TAXI CANS SO IF WE CAN MOVE TO SLIDE SEVEN MICHELLE
[00:19:13] OKAY THE DELEGATION OF AUTHORITY THIS
[00:19:18] WAS UNIQUE ON IT I'M GOING TO SPEAK A LITTLE BIT AND THEN I'M GOING
[00:19:21] TO HAND IT OFF TO DAVE SOY AND TEAM BUT
[00:19:25] ONE OF THE THINGS WE DO IN TURN A LOT IF WE LOOK
[00:19:28] FOR CONTROLS CONTROL LINE BUT WE ALSO HAVE A VERY
[00:19:32] UNIQUE SKILL SET AND THAT WE UNDERSTAND PROCESSES AND HOW THINGS
[00:19:37] WORK BECAUSE THROUGH AND ON IT YOU GOT TO CARE THOSE APART AND IDENTIFY THE
[00:19:40] CONTROLS SO WE CAN USUALLY POINT
[00:19:44] OUT INEFFICIENCIES IN THE PROCESS AND OPPORTUNITIES
[00:19:48] TO IMPROVE ON THAT WE WE PARTNERED
[00:19:52] WITH FOLKS AND STRATEGIC INITIATIVES SO THAT WHEN
[00:19:56] WE LEFT THEY COULD TAKE OVER AND AND
[00:20:00] OWN ANY CHANGES OR IMPROVEMENTS THAT NEED TO BE PUT IN PLACE WE DIDN'T
[00:20:04] JUST SURE IF WE HAVE ANY CONTROL ISSUES
[00:20:07] BUT BUT EVEN IF WE DID HAVE THOSE INDICATES
[00:20:11] A PROTIC PROCESS AND THAT WOULD BE AN EXAMPLE
[00:20:14] WHERE THEY CAN STEP IN AND HELP OUT EFFICIENCIES
[00:20:18] WOULD BE THE SAME THING AND WE'LL TALK ABOUT THAT AS WELL WE'RE
[00:20:22] ALSO VERY TRANSPARENT OUR MEETINGS WERE
[00:20:26] AVAILABLE AND OPEN TO ANYONE FROM THE PORT THAT IS
[00:20:30] CRITICAL TO THE PROCESS DAVE
[00:20:34] SO AT THE POINT OF JOHN OKAMOTO TO DEPARTMENT WITH US AS WELL
[00:20:38] AND MR OKAMOTO EXPERIENCE AND KNOWLEDGE AND JUST

[00:20:42] DISABILITY TO BENCHMARK OTHER ORGANIZATIONS WITH
[00:20:47] VERY INSIGHTFUL HE WORKS ON THE IAS
[00:20:50] AS PRIOR RECOMMENDATION AND FIREWORK HAS
[00:20:54] BEEN SIGNIFICANT FOR THE POINT SO WE WELCOMED HIS KNOWLEDGE AND IN
[00:20:57] SITE I WANT TO POINT OUT THAT THERE WERE NO INTERNAL
[00:21:00] CONTROL DEFICIENCIES NOTED AND MICHELLE NEXT SLIDE PLEASE
[00:21:04] WE DID HOWEVER HAVE AN EFFICIENCY
[00:21:08] OPPORTUNITY ONE OF THE THINGS WE NOTED IS
[00:21:12] YOU KNOW WHILE WE WERE DOING THIS THAT ALL
[00:21:16] THE EYES WERE DAUGHTER THE TEETH ACROSS MEANING EVERYTHING WAS FOLLOW
[00:21:21] EVERYTHING WE DID FOLLOW PROCEDURE FROM OUR TESTING THAT
[00:21:24] WE FOUND WE DID NOTICE THAT THERE WERE SOME
[00:21:28] INEFFICIENCIES AND PERHAPS THERE'S AN OPPORTUNITY
[00:21:31] TO INCREASE TRANSPARENCY AND YES SPEED UP
[00:21:35] SOME THINGS AN EXAMPLE COMMISSIONERS WOULD BE YOU
[00:21:38] KNOW ON DECEMBER 10 TH AT THE LAST AUDIT COMMITTEE WE
[00:21:43] PRESENTED REALLY CUTE PRESENTED MOSS ANNA'S
[00:21:47] CONTRACT RENEWAL FOR A YEAR IF IT'S 450,000
[00:21:50] DOLLARS AND THAT IS BECAUSE OF COBIT WE HAD TO EXTEND IT FOR A
[00:21:54] YEAR SO THEY COULD CONTINUE TO DO THE EXTERNAL AUDIT AND
[00:21:58] WE GO OUT TO BID 2,021 WELL EXAMPLE THAT AT
[00:22:02] 450,000 DOLLARS THAT NEEDS TRANSPARENCY FOR
[00:22:05] SURE IT NEEDS TO GO TO THE COMMISSION THE MISSION NEEDS TO APPROVE THAT BUT
[00:22:09] WE NEED A PROCESS TO TURN THAT AROUND QUICKER IT GOT APPROVED
[00:22:12] ON JAN 26 WITH TRUTH THIS TUESDAY SO
[00:22:15] IT'S OVER A MONTH AND A HALF OR CLOSE TO A MONTH AND A HALF
[00:22:18] THAT IT TAKES BECAUSE OF OUR SLOWER PROCESSES SO
[00:22:23] THIS IS WHERE WE SAW SOMETHING THAT WERE VERY
[00:22:26] MUCH LIKE THIS THAT WAS JUST ONE EXAMPLE OF THINGS
[00:22:30] THAT TAKE A LONG TIME AND WE LOSE OUT ON OPPORTUNITIES
[00:22:34] ESPECIALLY WITH THE SPEND THAT WE'RE IN ON THE CASTLE FRONT
[00:22:39] THE MAJOR CAPITAL FRONT AN EXAM WOULD BE 98% OF
[00:22:43] ALL CONSTRUCTION SPEND HAS TO GO THROUGH THE COMMISSION WHICH
[00:22:47] WE DEFINITELY WANT THE TRANSPARENCY SOMETIMES IT'S 300,000
[00:22:51] DOLLARS YOU KNOW YOU MIGHT HAVE SOMETHING THAT'S 50,000 100,000
[00:22:55] THAT NEEDS A TRANSPARENCY NEEDS TO GO TO COMMISSION IT DOESN'T
[00:22:58] NEED TO BE ARBITRARILY SET 300,000 SO I'M ADVOCATING
[00:23:02] FOR TRANSPARENCY BUT I'M ALSO ADVOCATING FOR EFFICIENCIES
[00:23:06] AND AND LOOKING AT I'M JUST
[00:23:10] REVISITING ANY OPPORTUNITIES THERE WE LOOKED
[00:23:14] AT KICK COUNTY WE LOOKED AT CITY OF SEATTLE WE
[00:23:18] LOOKED AT SO TRANSIT AND WE PRESENTED IN THE
[00:23:21] LAST COMMISSION MEETING WHAT THEIR
[00:23:25] LIMITS ARE AND THEY'RE SIGNIFICANTLY HIGHER THAN OURS SO
[00:23:29] SOUND TRANSIT FOR EXAMPLE WENT BACK IN 2,018
[00:23:32] AND REVISIT SOME ITEMS AND RAISE THEIR LIMIT
[00:23:36] UP SUBSTANTIALLY AND DAVE WILL TALK ABOUT THAT DAVE AND
[00:23:39] JOHN OKAMOTO SO WITH THAT
[00:23:43] LIKE I SAID IT WAS A CLEAN AUDIT I THINK THE
[00:23:49] CPO OFFICE AND DAVE SO KEYS TEAM AS FAR AS DOTTING THE EYES AND CROSSING
[00:23:53] THE TS TO YOU FIND JOB AND THERE
[00:23:57] WERE NO EXCEPTIONS WE JUST HAD THIS EFFICIENCY OPPORTUNITY
[00:24:00] AND WE FIGURED THIS WOULD BE A GOOD FORUM TO PRESENT IT TO YOU COMMISSIONERS
[00:24:04] TO BOTH COMMISSIONER EVOLVEMENT COMMISSIONER CHO AND CHRISTINE HAVE DORKING
[00:24:08] AND WITH THAT DAVE SOCI IT'S ALL YOURS
[00:24:12] NEXT SLIDE PLEASE MICHELLE AND JOHN OKEMO
[00:24:16] OVER DAVE HOWEVER YOU WANT TO SPEAK FOR JOHN YOU
[00:24:19] BET GOOD MORNING COMMISSIONERS IF JOHN IS ONLINE I'D LIKE
[00:24:23] TO FIRST TURN OVER TO JOHN FOR HIS INTRODUCTORY REMARKS AND THEN
[00:24:26] MAYBE COME BACK TO HIM AT THE END WE ONLY HAVE A SLIDE DECK OF
[00:24:30] ABOUT SIX SLIDES SO I THINK WE CAN MOVE THROUGH THIS PROMPTLY BUT OVER
[00:24:35] TO JOHN RIGHT NOW THANK YOU VERY MUCH DAVE AND
[00:24:39] GOOD MORNING ALL I'LL JUST RUN

[00:24:44] THROUGH THIS AGAIN THE ROLE THAT I PLAYED I
[00:24:48] WAS BROUGHT ON AS A MANAGEMENT CONSULTANT TO
[00:24:53] HAVE INDEPENDENT EYES FROM MY BACKGROUND
[00:24:56] YOU LIKE OFFICIAL SENIOR EXECUTIVE
[00:25:00] AND ALSO AS A PORT
[00:25:04] AND EXECUTIVE BACK IN EARLY 2,000
[00:25:09] THAT HAD RESPONSIBILITY FOR ENGINEERING FUNCTIONS I WANT
[00:25:13] REAFFIRM WHAT GLENN MENTIONED THAT THE
[00:25:17] PORT HAS REALLY CREATED A CULTURE OF COMPLIANCE SINCE
[00:25:22] 2,007 I THINK THAT'S BEEN INDICATED BY THE
[00:25:25] FACT THAT THIS WAS A CLEAN AUDIT AND THERE
[00:25:29] WERE NO ADVERSE FINDINGS BUT AS
[00:25:32] GLENN NOTED THAT COMPLIANCE CAME WITH
[00:25:37] UNINTENDED CONSEQUENCES WITH SIGNIFICANT
[00:25:40] ADMINISTRATIVE INEFFICIENCIES AND OPPORTUNITY
[00:25:44] COST FOR THE COMMISSION ITSELF THAT
[00:25:49] FINDING WAS REAFFIRMED IN SOME EARLIER
[00:25:52] WORK BY THE EXECUTIVE REVIEW PANEL THAT WAS
[00:25:57] CHARGED BY EXECUTIVE DIRECTOR METRIC TO
[00:26:01] LOOK AT THE PORTS READINESS TO TAKE ON A
[00:26:05] MORE COMPLEX LARGER CAPITAL PROGRAM THAT FINDING
[00:26:08] WAS ALSO CONFIRMED IN SOME WORK BY
[00:26:13] AN OUTSIDE CONSULTANT IN MAY OF 2,008
[00:26:17] KPMG FOUND THE SAME INEFFICIENCIES
[00:26:22] AND MORE RECENTLY IN AN AIRPORT REVIEW
[00:26:26] OF THEIR CAPITAL PROGRAM BY SEVERAL AIRPORTS AROUND
[00:26:30] THE COUNTRY THEY NOTED HOW RESTRICTIVE
[00:26:34] THE PORT OF SEATTLE DELEGATION OF AUTHORITY WAS
[00:26:39] COMPARED TO WHAT THEY OPERATE UNDER I
[00:26:43] THINK AS THE COMMISSION LOOKS AT OPPORTUNITIES
[00:26:48] TO LIFT OR CHANGE THE DELEGATION
[00:26:52] OF AUTHORITY WHAT I WOULD ADVISE IS THAT
[00:26:56] THE COMMISSION AND THE PORT IS A WHOLE LOOK
[00:27:00] AT THE SYSTEMS OF CONTROLS
[00:27:04] BOTH POLICY CONTROLS AS WELL AS ADMINISTRATIVE
[00:27:09] CONTROLS TO LOOK AT IT HOLISTICALLY TO SEE
[00:27:12] WHAT IS IS CURRENTLY IN PLACE AND
[00:27:16] NOT JUST FOCUS ON THE DELEGATION OF AUTHORITY ITSELF
[00:27:21] AS A MEANS TO PROVIDE CONTROLS
[00:27:26] AND LIMITS ON EXECUTIVE ACTIONS WHAT
[00:27:30] I MEAN BY THAT LOOKING HOLISTICALLY IS THAT
[00:27:34] THE CONDITION ADOPTS MANY DIFFERENT
[00:27:38] SIDEBARDS ON ACTIONS BY
[00:27:42] THE THE ADMINISTRATION FOR EXAMPLE THE
[00:27:47] PORT COMMISSION ADOPTS LONG RANGE
[00:27:51] PLANS YOU ADOPT MASTER PLAN STRATEGIC
[00:27:54] PLANS YOU DO FINANCIAL PLANS THAT INCLUDE
[00:27:59] LEVY LIMITS FEES RATES YOU
[00:28:04] GO FURTHER AND YOU ADOPT BUT A YEAR CAPITAL
[00:28:08] PROGRAM ANNUAL BUDGETS YOU
[00:28:13] ALSO HAVE ADOPTED PROCUREMENT PROCESSES AND
[00:28:17] LIMITS SO THE 300,000 DOLLARS
[00:28:21] OR WHATEVER YOU CHOOSE AS A DELEGATION AMOUNT
[00:28:25] I WOULD SUGGEST THAT YOU REALLY LOOK AT WHAT'S THE WHOLE PICTURE
[00:28:29] ON POLICY CONTROLS THAT YOU'VE ESTABLISHED AND
[00:28:33] THAT IN ITSELF IS NOT ALL THE CONTROLS THEIR
[00:28:37] ADMINISTRATIVE CONTROLS THAT NEED TO BE LOOKED
[00:28:41] AT AS PART OF THE ARE THERE PROJECT
[00:28:45] DEVELOPMENT MANUALS ARE THERE
[00:28:50] CHANGE MANAGEMENT PROCEDURES ARE THE PROJECT
[00:28:55] DOCUMENTATION PROCEDURES IN
[00:28:59] PLACE AND I THINK ANOTHER IMPORTANT ASPECT TO TAKE A
[00:29:03] LOOK AT IS THE EXPERIENCE AND THE

[00:29:06] SKILL LEVEL OF STAFF THAT ARE RESPONSIBLE FOR THE
[00:29:10] IMPLEMENTATION OF THE CAPITAL PROGRAM SO THAT'S
[00:29:14] A LONG WAY OF SAYING THAT BOTH
[00:29:18] THE PUBLIC AND I THINK THE COMMISSION WOULD BE WELL SERVED TO
[00:29:22] UNDERSTAND THE WHOLE PICTURE OF POLICY AND ADMINISTRATIVE
[00:29:26] CONTROLS AND IN
[00:29:31] THE CONTEXT OF WHERE DOES THIS DELEGATION OF AUTHORITY REALLY FIT
[00:29:35] IN SO WITH THAT I'LL TURN IT OVER TO DAVE AND
[00:29:40] IF THERE ARE ANY QUESTIONS I'LL BE AVAILABLE TO RESPOND I
[00:29:46] THANK YOU JOHN NEXT SLIDE PLEASE BEFORE
[00:29:52] I WORK THROUGH THE SLIDE LET ME PROVIDE SOME CONTEXT AND
[00:29:56] CONTENT DISCUSSION JUST FOR THE NEXT FEW SLIDES FIRST
[00:30:01] I WANT TO THANK GLEN AND THE AUDIT TEAM BECAUSE THIS
[00:30:05] WAS A DIFFERENT AUDIT IN THE MANNER THAT WE ALL WORK
[00:30:08] TOGETHER WE DIDN'T WAIT TO SEE WHAT THE AUDIT
[00:30:12] HAD WE ALL WORK TOGETHER GOING THROUGH IT AND I
[00:30:16] THINK IT HELPED EXPLAIN AND DEMONSTRATE TO OTHER
[00:30:19] DEPARTMENTS THAT AUDIT IS A NECESSARY FUNCTION THAT CHECKS THE
[00:30:23] HEALTH OF THE ORGANIZATION AND MAKE SURE WE'RE ON TOP OF
[00:30:27] OUR GAME AND I REALLY APPRECIATED THE CULTURE THAT
[00:30:31] GOT STARTED THERE AND I EXPECT TO AS
[00:30:35] WE WORK THROUGH THIS QUESTION AND COME UP WITH OPTIONS AND
[00:30:38] RECOMMENDATIONS FOR THE COMMISSION TO RE INVOLVE AUDIT
[00:30:42] COMMITTEE AS WE GET CLOSER TO THAT SECOND
[00:30:46] I'D LIKE TO NOTE THAT IT'S PROBABLY TIME FOR
[00:30:51] US TO TAKE A LOOK AT THE AUDIT I'M SORRY TAKE A LOOK AT THE
[00:30:55] DELEGATION POLICIES AND THE REASON IS THAT IT
[00:30:59] HAD A MAJOR REVAMP BACK 13 YEARS AGO 2,008
[00:31:03] OR SO AND MOST RECENTLY IT HAD AN ADJUSTMENT I
[00:31:07] THINK IN 2,016 SO THAT WOULD BE FIVE
[00:31:10] YEARS AGO AND A LOT OF SITE THANK
[00:31:17] YOU A LOT OF SIDE BOARDS HAVE BEEN ADDED THAT TIME
[00:31:23] MY THIRD POINT I JUST WANT TO COMMISSION
[00:31:27] IS PROBABLY AWARE OF THIS BUT THERE'S PROBABLY 20 OR MORE DIFFERENT
[00:31:31] TYPES OF ACTIONS THAT COME BEFORE THE COMMISSION
[00:31:36] AND AS WE LOOK THROUGH THIS AND HOW TO PROVIDE MORE TRANSPARENCY
[00:31:41] ADMINISTRATIVE CHECKS AND BALANCES POLICY CHECKS THINGS
[00:31:45] THAT JOHN IDENTIFIED WE MAY FIND THAT THERE MIGHT BE
[00:31:48] A LITTLE DIFFERENT THRESHOLD FOR DIFFERENT TYPES OF ACTIONS
[00:31:54] TODAY I'VE ONLY LISTED I'VE TAKES
[00:31:57] A COUPLE OF GLEN SLIDES AND ADDED A LITTLE MORE INFORMATION TO TWO
[00:32:01] OF THOSE AND I AM ONLY USING CAPITAL AUTHORIZATIONS
[00:32:05] AS AN EXAMPLE IN ADDITION TO
[00:32:09] CAPITAL THERE ARE LEASING DECISIONS THERE'S SOFTWARE RENEWALS
[00:32:13] THERE'S JANITORIAL AND OTHER CONTRACTING CONSULTANT CONTRACTING LAND
[00:32:17] LEASES THERE ARE IN BUILDING LEASES FOR ADR
[00:32:22] TENANTS AND THINGS IT'S JUST A WIDE VARIETY AND I THINK THE
[00:32:25] RISKS ARE PROBABLY DIFFERENT FOR EACH AND THE THRESHOLDS THERE
[00:32:29] MIGHT BE DIFFERENT THRESHOLDS TO REACH BUT WE WILL COME TO THE COMMISSION WITH
[00:32:33] OPTIONS FOR YOUR CONSIDERATION AND DEMONSTRATING
[00:32:37] THE RISKS AND WHAT KIND OF TRANSPARENCY AND WHAT KIND OF ADMINISTRATIVE
[00:32:41] CONTROLS OKAY THIS SLIDE ESSENTIALLY
[00:32:45] SAYS WE AGREE WITH GLENN THAT THERE MAY BE AN EFFICIENCY
[00:32:48] THE REAL QUESTION IS HOW DO WE IDENTIFY IT AND
[00:32:52] BRING THEM FORWARD WHAT WE'VE DONE IS CREATED A TEAM THAT
[00:32:56] INCLUDES BUSINESS INTELLIGENCE IT INCLUDES THE OPERATING
[00:32:59] DIVISIONS WE'VE ALREADY DONE SOME TESTING OF A SURVEY WE'RE GOING TO SEND OUT TO
[00:33:03] STAFF AND INCLUDES LEAN PROCESS IMPROVEMENT
[00:33:07] STAFF AND OF COURSE PROCUREMENT STAFF WHO HAVE THEIR FINGERS
[00:33:10] IN MANY MANY OF THE ACTIONS THAT COME FOR YOU NEXT
[00:33:15] SLIDE AGAIN
[00:33:20] THIS IS A SLIDE THAT ONLY DEALS WITH CAPITAL
[00:33:25] AND WHAT I'VE DONE IS I TOOK GLENN SLIDE AND

[00:33:28] I ADDED I WANTED TO SEE WHAT IS
[00:33:32] THE PERCENTAGE OF ITEMS THAT COME BEFORE THE COMMISSION
[00:33:36] WHAT'S THE PERCENTAGE THAT GO TO THE EXECUTIVE DIRECTOR AND WE ARE AT
[00:33:40] THE 300,000 DOLLAR LEVEL NOW IS A BLANKET
[00:33:44] FOR EVERY TYPE OF ACTION SO WE JUST PUT ON A MILLION
[00:33:47] AND THEN I WENT AS HIGH AS 10,000,000 JUST A MAGNITUDE CHANGE
[00:33:51] IT'S NOT AN INTENTION OF THAT'S WHAT WE RECOMMEND WE JUST DON'T
[00:33:55] KNOW YET WE'VE GOT WORK TO DO BUT YOU CAN SEE THAT EVEN
[00:33:59] IF WE INCREASE THE CURRENT DELEGATION LEVEL
[00:34:02] BY THREE TIMES UP TO A MILLION THE EXECUTIVE
[00:34:05] DIRECTOR WOULD BE HANDLING 5% OF ACTIONS AND THE COMMISSION WOULD STILL
[00:34:09] SEE 95% SO ANOTHER MAGNITUDE UP I WONDERED
[00:34:12] WHAT IF IT WAS 10,000,000 AND THE COMMISSION WOULD STILL SEE
[00:34:16] 69% NEED IT MIGHT
[00:34:20] THERE BE ADDED STAFF EFFICIENCY SURE BUT WHAT ABOUT THE TRANSPARENCY AND
[00:34:24] WHAT ABOUT COMMISSION OVERSIGHT OPPORTUNITY WHICH IS VERY
[00:34:28] IMPORTANT NEXT SLIDE GLENN
[00:34:38] HAD ALSO WORKED WITH JOHN OKAMOTO AND TO TAKE THEY TOOK
[00:34:41] A LOOK AT COMPARATOR AGENCIES AND THAT SAME INFORMATION
[00:34:45] IS HERE WE'VE ADDED THEIR CAPITAL BUDGET AS A NEW COLUMN AND
[00:34:49] I ADDED A COUPLE LINES IN THIS CHART WE ADDED THE
[00:34:53] UNIVERSITY OF WASHINGTON YOU CAN SEE THAT THEY HAVE A DELEGATION LEVEL
[00:34:57] OF 15,000,000 DOLLARS AND A CAPITAL BUDGET OF 3.7 WE
[00:35:01] ALSO ADDED SAN FRANCISCO INTERNATIONAL AIRPORT OF
[00:35:05] COURSE THEY HAVE A MILLION DOLLARS IS WHAT THEY DESCRIBED AND
[00:35:09] ALMOST A 5,000,000,000 DOLLAR CAPITAL LEVEL AND SO
[00:35:13] YOU CAN SEE THE PORT OF SEATTLE CAPITAL BUDGET
[00:35:16] IS PRETTY HIGH SIMILAR TO THE OTHER AGENCIES EVEN
[00:35:20] UP WITH KING COUNTY AND CT SEATTLE WHO ACTUALLY
[00:35:24] USE THEIR BUDGET AS THEIR APPROVAL PROCESS AND
[00:35:27] ONLY CHANGES THAT GO OVER AND ABOVE THEIR BUDGET COME BACK FOR
[00:35:31] CHECKS WE'LL HAVE TO FIND OUT MORE ABOUT THAT BUT WHEN
[00:35:35] WE COME UP WITH OPTIONS WE'LL ALSO BE COMPARING THOSE OPTIONS
[00:35:39] TO HOW THINGS ARE DONE IN OTHER AGENCIES TO MAKE SURE WE'RE NOT LEANING OUT
[00:35:43] TOO FAR NEXT
[00:35:46] SLIDE PLEASE I WAS
[00:35:52] HOPING THAT WE COULD HAVE A CONVERSATION TODAY ABOUT
[00:35:56] THE OBJECTIVES AND VALUES WE
[00:36:00] WANT TO FIND AN EFFICIENCY BUT ALSO
[00:36:03] AS GLEN SAID WE WANT TO BALANCE IT WITH A TRANSPARENCY AND
[00:36:07] THE POLICY GOVERNANCE THAT JOHN IDENTIFIED IN THE CHECKS AND
[00:36:11] BALANCES AS I REFER TO THEM AND I THINK THERE CAN BE A
[00:36:15] MIDDLE GROUND THAT IS A PROPER BALANCE FOR BOTH THE
[00:36:19] COMMISSION AND YOUR AVAILABLE TIME IF FOR EXAMPLE
[00:36:23] IF WE CAN KNOCK OUT TWO OR 3 ITEMS FROM
[00:36:27] EACH COMMISSION MEETING IF IT'S APPROPRIATE FOR THE ED EXECUTIVE
[00:36:31] DIRECTOR TO HANDLE THOSE AND PROVIDE INFORMATION OF COMMISSIONERS THE
[00:36:35] COMMISSION MAY FIND ANOTHER HOUR OF POLICY TIME
[00:36:38] THAT THEY COULD USE FOR COMMITTEES OR OTHERWISE WE THOUGHT
[00:36:42] ABOUT VALUES HOW TO FREE UP YOUR TIME FOR POLICY WORK AND
[00:36:46] HOW TO KEEP TRANSPARENCY CLEAR IF YOU HAVE
[00:36:50] OTHER IDEAS FOR OBJECTIVES AND VALUES AS WE DISCUSS THIS WOULD
[00:36:54] LOVE TO HEAR IT AND NEXT AND LAST SLIDE THIS
[00:37:00] CAME FORWARD IN DECEMBER TO THE AUDIT
[00:37:03] COMMITTEE AND SINCE THEN WE HAVE ESTABLISHED
[00:37:08] A TEAM WE THOUGHT ABOUT HOW TO WORK THROUGH THE QUESTIONS
[00:37:12] AND TO COME UP WITH WHATEVER THE OPTIONS ARE FOR THE COMMISSION I
[00:37:16] MENTIONED WHO'S ON OUR TEAM SO FAR THAT
[00:37:20] WE'RE SEEKING EFFICIENCY THE
[00:37:23] SECOND BULLET IS IMPORTANT TO ME THE VOICE OF THE CUSTOMERS WHEN
[00:37:29] AN EFFICIENCY EFFORT IS UNDERTAKEN IT'S
[00:37:33] IMPORTANT TO ASK OURSELVES WHO IS THE REAL CUSTOMER IS
[00:37:37] STAFF THE CUSTOMER WE DON'T BELIEVE SO IN THIS

[00:37:40] CASE WE VIEW THE COMMISSIONERS AS ELECTED OFFICIALS ARE
[00:37:44] THE CUSTOMERS WE'D LIKE TO PROVIDE TO YOU WHAT THE
[00:37:47] OPTIONS ARE IN RECOMMENDATIONS AND WHEREVER YOU SETTLE OUT
[00:37:52] WE HOPE TO FIND EFFICIENCY ON THE STAFF SIDE OF THAT
[00:37:55] SO AS I NOTE IN THE FOURTH BULLET WILL
[00:37:59] PROVIDE OPTIONS WERE THE RISKS AND TEST THE
[00:38:02] TRANSPARENCY AND EFFICIENCY AND THROUGH THE DISCUSSION WITH STAFF
[00:38:07] LEARNING WHAT THEY WILL TELL US ABOUT WHAT THEY SEE BECAUSE
[00:38:11] THERE ARE MANY STAFF ACROSS THE PORT THAT SPEND MANY HOURS AND
[00:38:15] LOTS OF ACTIONS MOVING THROUGH THE COMMISSION THAT'LL
[00:38:19] BE A VALUABLE SOURCE OF DATA SO WE'VE IDENTIFIED WITH
[00:38:23] BUSINESS INTELLIGENCE AND TESTED WE'VE GOT SURVEY READY TO GO OUT
[00:38:27] TO STAFF TO LEARN THAT AND THEN WE HOPE TO
[00:38:30] HAVE CONVERSATIONS WITH THE AUTO COMMITTEE MEMBERS AND THE FULL COMMISSION MEMBERS
[00:38:34] ABOUT WHAT YOU MIGHT BE LOOKING FOR AND WHAT
[00:38:38] WE'VE HEARD FROM STAFF AND THEN ONCE WE HEAR FROM COMMISSIONERS
[00:38:41] WE CAN FIND WHERE THE MIDDLE GROUNDS ARE AND WHERE THE AREAS
[00:38:45] OF CONCERN ARE AND THAT'S WHERE WE CAN REALLY DIAL
[00:38:50] IN AND TRY TO FIND AN OPTIMUM RECOMMENDATION WE'D BE HAPPY TO PROVIDE YOU A
[00:38:54] STATUS UPDATE AT THE END OF Q ONE WE DON'T KNOW IF WE'LL BE
[00:38:58] DONE AT THAT TIME BUT WE'D BE HAPPY TO PROVIDE
[00:39:01] YOU A STATUS AS WE GO AND AS I UNDERSTAND IT IS THE
[00:39:05] COMMISSION COMMITTEES HAVE BEEN IDENTIFIED WE WOULD BE WORKING DIRECTLY WITH
[00:39:09] YOUR COMMISSION OFFICE SO AARON PRICHARD AND MICHELLE HART WHO
[00:39:14] ARE INCORPORATED INTO THE GOVERNANCE COMMITTEE
[00:39:18] OF THE FULL COMMISSION SO I THINK THE GOVERNANCE COMMITTEE WOULD TAKE
[00:39:21] UP THIS EFFORT ALSO AND HELP SHEPHERD IT THROUGH AND
[00:39:25] THAT'S WHAT I HAVE COMMISSIONERS I WAS HOPING TO HEAR
[00:39:29] YOUR COMMENTS AND ANY QUESTIONS YOU HAVE FOR JOHN OKAMOTO OR MYSELF OR
[00:39:33] GLEN OKAY
[00:39:38] GREAT WELL COMMITTEE MEMBERS PLEASE UNMUTE YOURSELF FOR QUESTIONS
[00:39:42] AND COMMENTS THE PRESENTERS WILL REMAIN UNMUTED PER
[00:39:46] CARD PLEASE CALL THE ROLE THANK YOU WE'LL BEGIN WITH MEMBER GERKE
[00:39:51] I HAVE NO QUESTIONS OR COMMENTS THANK YOU THANK YOU MS
[00:39:54] NETO YEAH THANK YOU I HAVE A QUESTION IN
[00:39:58] THE COMMENT WHEN WE ESTABLISHED THE 300
[00:40:01] THRESHOLD IN 2,010 WHAT WAS THE BENCHMARK OR
[00:40:06] WHAT DID WE USE TO JUSTIFY THAT DOLLAR
[00:40:10] AMOUNT DARN
[00:40:16] COMMISSIONER I ACTUALLY DON'T REMEMBER I DO REMEMBER THAT IT WAS
[00:40:19] A 200,000 DOLLARS THRESHOLD AT THE TIME AND
[00:40:23] I BELIEVE IT WAS SUBSEQUENTLY RAISED TO 300,000
[00:40:27] DOLLARS AND IF I'LL ASK JOHN HE MAY REMEMBER BECAUSE
[00:40:31] JOHN USED TO BE THE CHIEF ADMINISTRATIVE OFFICER OF THE PORT BUT
[00:40:35] I THINK IT MAY HAVE REFLECTED THE
[00:40:39] CURRENT STATE OF WASHINGTON DELEGATION LEVEL
[00:40:42] AS A CONVENIENT MARKER JOHN
[00:40:47] DO YOU RECALL I'M HAVING ONE OF
[00:40:51] THOSE AGE APPROPRIATE MOMENTS I CAN'T REMEMBER THAT'S
[00:40:55] OKAY I WAS JUST CURIOUS SO HERE ARE A
[00:40:59] FEW OF MY INITIAL THOUGHTS AND YOU CAN TAKE IT
[00:41:02] OR LEAVE IT BUT I APPRECIATE THIS CONVERSATION
[00:41:06] ABOUT THE LOCATION AUTHORITY I THINK WHEN I FIRST TURNED THE POINT
[00:41:09] PORT THIS IS ONE OF THE FIRST THINGS SET MAY HAVE BROUGHT UP TO
[00:41:12] ME SO
[00:41:18] YOU KNOW HERE'S MY PERSPECTIVE IS THAT 10 YEARS AGO IS
[00:41:21] A LONG TIME IF I'M DOING THE
[00:41:25] MATH RIGHT IF YOU COUNT FOR 2% INFLATION OVER THE LAST 10
[00:41:29] YEARS YOU KNOW THE DELEGATION AUTHORITY SHOULD REALLY BE AROUND
[00:41:32] THE 5,360 JUST BASED ON INFLATION SO I THINK
[00:41:36] IT'S TRUE THAT THE NUMBER MIGHT BE TOO LOW AND
[00:41:40] I APPRECIATE DAVE THE BREAKDOWN THAT YOU GAVE US
[00:41:44] OF HOW MANY ACTIONS THEY WOULD SAVE THE COMMISSIONERS IF

[00:41:48] WE WERE TO RAISE RAISE THE DOLLAR AMOUNT AND
[00:41:52] I THINK WE ALL APPRECIATE IT WHEN OUR MEETINGS ARE A LITTLE SHORTER BUT
[00:41:56] I THINK MORE IMPORTANTLY WHAT I WOULD LIKE TO
[00:41:59] KNOW IS WHAT THE TRUE OPPORTUNITY COST IS OF HAVING THIS AT 300
[00:42:03] K VERSUS 10,000,000 DOLLARS RIGHT
[00:42:07] SO FOR INSTANCE WHEN I SEE THE OPPORTUNITY BECAUSE
[00:42:11] I AM I'M REFERRING TO WHAT IS THE TRUE LOSS
[00:42:15] IN CAPITAL FOR US AS A RESULT OF STEVE
[00:42:19] HAVING TO WAITED FOR AN AUTHORITY OF AN AUTHORIZATION
[00:42:24] RIGHT BECAUSE WE ALL KNOW THE OLD ADAGE THAT TIME
[00:42:27] IS MONEY RIGHT AND SO WHAT IS
[00:42:31] THERE A TRUE OPPORTUNITY COST IN TERMS OF THE LAG TIME
[00:42:35] BETWEEN WHEN STEVE WANTS TO MAKE A PURCHASE AND WHEN
[00:42:39] HE COMES TO COMMISSION GET IT ON THE CALENDAR IT GOES THROUGH
[00:42:43] ALL THE READINGS AND IT GETS APPROVED RIGHT I
[00:42:47] IMAGINE THERE IS A COST TO THAT RIGHT WHETHER IT'S EXECUTING
[00:42:51] ON A CONTRACT AS YOU ALLUDED TO BEFORE OR MAKING A PROCUREMENT
[00:42:56] THE LONGER WE WAIT ON CERTAIN THINGS THE
[00:42:59] HIGHER THE PRICE WILL BE AND SO I WOULD LOVE TO SEE THAT
[00:43:03] QUANTIFIED AND JUST TO SEE AS A RESULT
[00:43:06] OF THIS 300,000 THRESHOLD HERE ARE SOME EXAMPLES
[00:43:09] OF YOU KNOW WHERE STEVE HAD TO WAIT A MONTH OR
[00:43:13] TWO BECAUSE OF COMMISSION ACTION AND AS A RESULT THAT COSTS US X
[00:43:17] AMOUNT OF DOLLARS I THINK THAT WOULD BE VERY CONVINCING FOR US AS A
[00:43:21] COMMISSION TO RAISE THE BAR BECAUSE OBVIOUSLY THAT'S MONEY THAT
[00:43:25] WE COULD SAVE AND USE SOMEWHERE ELSE AND
[00:43:29] SO I THINK THAT IS MORE OPEN THAT WOULD BE MORE COMPOUNDING TO ME THAN
[00:43:32] A YEAH I MEAN QUITE FRANKLY YOU RAISED IT UP TO A MILLION
[00:43:35] DOLLARS AND IT REALLY ONLY MOVED IT TO LOOKS LIKE RIGHT
[00:43:39] SO THE VOLUME OF ACTION IS LESS IMPORTANT TO ME THAN THE TRUE OPPORTUNITY
[00:43:44] COST OF RAISING THE THRESHOLD DOES
[00:43:49] THAT MAKE SENSE YES IT DOES THANK YOU SORRY
[00:43:54] GO AHEAD AND
[00:43:57] THEN THE ONLY OTHER THING THAT I WANT TO LET'S SAY IS THAT BREAKING
[00:44:02] DOWN THE AUTHORITY BASED ON CATEGORY I THINK WOULD MAKE SENSE TO
[00:44:06] ME AND THAT WAS THE INITIAL IDEA I HAD ONE THE FIRST KINGDOM CAME
[00:44:10] TO US ABOUT RAISING THE AUTHORITY I
[00:44:14] THINK LIKE IF STEVE WANTS TO BUY HALF A MILLION DOLLARS OF HAND SANITIZER
[00:44:17] BECAUSE OF COVA 19 I DON'T THINK HE NEEDS TO COME TO US FOR THAT
[00:44:21] RIGHT THAT'S A PRETTY NO BRAINER PURCHASE RIGHT BUT
[00:44:24] IF IT'S A CHANGE ORDER ON A CAPITAL PROJECT THAT'S SOMETHING
[00:44:27] THAT WE MAY NEED THAT HE SHOULD COME BACK TO US WITH RIGHT SO IF
[00:44:31] YOU HAVE A BUCKET OF CATEGORIES THAT YOU THINK YOU
[00:44:35] KNOW THESE ARE OPERATIONAL THINGS THAT INCONSEQUENTIAL
[00:44:40] THAT SHE SHOULD HAVE THE AUTHORITY TO DO YOU KNOW
[00:44:43] YOU CAN COME UP I THINK COMING UP WITH A LIST OF THOSE AND THEN
[00:44:46] THOSE THINGS THAT YOU THINK YOU KNOW ONE SHOULD
[00:44:49] GO THROUGH THE COMMISSION I THINK THAT WOULD ALSO BE VERY HELPFUL
[00:44:54] THAT'S MY REPLY THANK YOU AND
[00:44:58] THE COMMISSIONER BOWMAN MR FERNANDO HAS HIS HAND
[00:45:01] UP HAS THIS JOHN JUMP
[00:45:07] IN I'LL JUMP IN FIRST AND IF THAT'S OKAY JOHN AND THEN
[00:45:10] I'LL PASS IT BACK TO YOU JUST COMMISSION HOW
[00:45:14] TO ANSWER SOME OF YOUR YOUR QUESTIONS WE DID
[00:45:17] LOOK STUDIES THAT WERE DONE IN HOUSE THE NUMBER OF TIMES THAT MINERALS
[00:45:22] TOUCHED AND THE 20 PLUS THE AMOUNT
[00:45:26] OF HOURS THAT PEOPLE SPEND PUTTING DOCUMENTATION TOGETHER
[00:45:29] AND I THINK THAT CAN BE STREAMLINED YOU COULD
[00:45:33] TAKE THIS THE STUDY THAT WAS DONE AND FIND AN AMOUNT OF TIME THAT
[00:45:37] PEOPLE DEDICATE TOWARDS IS A DIFFERENT TIME AND COME UP WITH
[00:45:41] A COST AND THAT COULD BE SOMETHING YOU COULD SAVE LATE PAYMENTS
[00:45:45] WELL SOMETIMES THE VENDOR MIGHT SAY IF YOU PAY
[00:45:49] US WITHIN 30 DAYS DO THIS YOU MIGHT GET A DISCOUNT

[00:45:53] THOSE ARE LOSSES THAT YOU DON'T GET BECAUSE WE TAKE A MONTH
[00:45:56] OR TWO TO GET THINGS DONE AND SOMETHING WE HAVE
[00:46:00] OUR OWN INTERNAL PROCESSES THAT ARE WEEK AS WELL AND CONTRACTORS
[00:46:04] TO AN EXACTLY WOULD BE THE IF WHEN
[00:46:09] WE TAKE A MONTH OR TWO MONTHS TO GET SOMETHING APPROVED IT
[00:46:12] HAS TO GO THROUGH PROCESSES AND I'M NOT DISAGREEING
[00:46:16] THAT WE HAVE TO GO THROUGH OUR PROCESSES BUT IN
[00:46:19] THE EARLIEST STAGES WE SAW A LOT OF WORK
[00:46:24] THAT WAS BEING DONE AND IT SHOULDN'T HAVE BEEN DONE IT SHOULD HAVE STOPPED BECAUSE
[00:46:28] THEY SHOULDN'T BE DOING IT WITHOUT AN APPROVAL FROM THE FOURTH BUT NONETHELESS
[00:46:31] THEY'VE BEEN DOING IT BUT WHAT ENDED UP HAPPENING IS BECAUSE
[00:46:35] WE TAKE SO LONG WITH OUR INTERNAL PROCESSES THE SUBCONTRACTORS
[00:46:39] TAKING MONTHS TO GET THEM PAID THREE OR 4 MONTHS AND
[00:46:43] THEY WERE RESPONDING BACK TO SENDING US EMAILS AND COMPLAINTS
[00:46:47] SAYING HEY YOU KNOW I'M GOING TO GO OUT OF BUSINESS I'M A SMALL BUSINESS
[00:46:51] SO ALL OF THOSE THINGS FOR CAPITAL WE NEED TO SPEED
[00:46:55] UP OUR PROCESSING ESPECIALLY THESE BIG PROJECTS BECAUSE THEY ARE DOWNSTREAM
[00:46:59] IMPLICATIONS AND AN EXAMPLE
[00:47:02] WILL BE SOUND TRANSIT YOU TALKED ABOUT THEY RAISED
[00:47:06] CERTAIN SEGMENTS OF CAPITAL PURCHASES OR
[00:47:09] 5,000,000 DOLLARS OTHERS ARE GRATIFIED AND IF SOMETHING
[00:47:13] SMALL OR MIGHT NEED COMMISSION APPROVAL IF OTHER THINGS IT
[00:47:17] MIGHT BE 2,000,000 OR EVEN LESS AND I
[00:47:21] WILL POINT OUT THAT WHEN THEY DID THEIR REVAMP THEY DID LOOK AT RECENT TRANSPARENCY
[00:47:25] AND FINDING THE MOSS AND EXAMPLE THAT I BROUGHT
[00:47:29] UP THIS IS SOMETHING THE AUDIT COMMITTEE IMPROVED IN DECEMBER AND
[00:47:32] WE STILL HAD TO GO THROUGH THE CLASS AND WE DO ABOUT
[00:47:35] NOVEMBER 50,000 DOLLARS WE NEEDED TO DO
[00:47:39] THIS SO THE EXAMPLE WOULD BE YOU KNOW ABOUT IN NOVEMBER YOU
[00:47:42] NEED TO DO IT BY THE TIME YOU CAN ACTUALLY DO THAT IT'S END OF
[00:47:46] JANUARY FAB THAT TIME IT'S LARGE YEAH
[00:47:50] THAT ANSWERS SOME OF YOUR QUESTIONS YEAH NO I APPRECIATE
[00:47:53] THE CALL OUT ABOUT THE DOWNSTREAM EFFECTS I THINK THAT'S A VERY VALID
[00:47:56] CONCERN THAT IF THE POOR TAKES TOO LONG TAKING A DECISION IT COULD
[00:48:00] ULTIMATELY HURT SO THE WATER CUSTOMERS OR TENANTS
[00:48:04] ET CETERA SO I THINK THAT'S ALSO ALL AND YOUR
[00:48:07] POINT ABOUT I DON'T FORGET SORRY IF IT WAS DAVE GLENN
[00:48:11] COULD YOU GLEN WE WAS TALKING ABOUT THE NUMBER OF
[00:48:14] HOURS STAFF PUT INTO PUTTING TOGETHER MEMOS AND ALL THAT STUFF SO THAT THE
[00:48:18] COMMISSION CAN LOOK AT IT IN MY MIND THAT'S ALL COSTS TOO RIGHT SO I
[00:48:21] THINK THOSE ARE ALL FACTORS IN THE OPPORTUNITY COST THAT WE'D LIKE TO SEE
[00:48:28] JOHN THANK YOU
[00:48:31] VERY MUCH COMMISSIONER JOE PREVIOUSLY
[00:48:35] MENTIONED THAT EXECUTIVE DIRECTOR
[00:48:38] METRIC HAD BROUGHT BACK THE EXECUTIVE REVIEW
[00:48:43] PANEL TO ANSWER THE QUESTION IS
[00:48:47] THE PORT READY TO TAKE ON A MORE COMPLEX LARGER CAPITAL
[00:48:51] PROGRAM LOOKING DOWNSTREAM
[00:48:55] AND THAT WAS NOT
[00:48:59] EVEN LOOKING AT THE QUESTION OF WOULD IT BE APPROVED
[00:49:04] IN WHAT FORM WOULD IT BE APPROVED SO
[00:49:08] IN THAT WE DID TAKE A LOOK AT THE PORTS
[00:49:12] PERFORMANCE ON LOOKING BACKWARDS ON
[00:49:17] APPROVED CAPITAL PROGRAMS MANY OF THOSE
[00:49:20] CAPITAL PROGRAMS AS YOU REFER TO WERE IDENTIFIED
[00:49:26] AS BUSINESS NEEDS TO SUPPORT CUSTOMER DEMANDS
[00:49:30] OR PASSENGER DEMANDS ET CETERA AND IF YOU
[00:49:33] LOOK EVEN BACKWARDS YOU'LL FIND SOMETHING
[00:49:38] THAT'S NOT TOTALLY UNUSUAL BUT YOU'LL
[00:49:41] SEE UNDER PERFORMANCE IN THE DELIVERY OF THE
[00:49:45] CAPITAL PROGRAM SO LOOKING FORWARD AS THE
[00:49:49] PORT WAS FACING A MORE COMPLEX LARGER CAPITAL
[00:49:53] PROGRAM WHAT WE SAW WAS THE NEED TO EXAMINE

[00:49:58] EVERY POLICY PROCESS POLICY
[00:50:02] CONSTRAINTS EVERY ALSO ADMINISTRATIVE PROCESSES
[00:50:07] AND CONSTRAINTS TO ANSWER THE QUESTION WHAT
[00:50:10] IS NECESSARY TO REALLY DELIVER ON WHAT
[00:50:14] THE COMMISSION ADOPTS AS AS GOALS
[00:50:18] AND IN THAT AMONGST ALL
[00:50:22] THE PROCESSES THE WHOLE DELEGATION
[00:50:26] OF AUTHORITY WAS IDENTIFIED
[00:50:29] AS ONE OF MANY PROCESSES THAT NEEDED TO BE STREAMLINED
[00:50:33] OTHERS WERE LIKE THE PROCUREMENT PROCESS HOW
[00:50:36] LONG IT TAKES TO BRING ON CONSULTANTS
[00:50:40] OR PRIVATE PARTNERS ALSO
[00:50:45] AN ISSUE OF CONCERN WAS THE
[00:50:50] TURNOVER AND THE ANTICIPATED LOSS
[00:50:55] OF EXPERIENCE STAFF AND WAS THE PORT PREPARED
[00:50:59] TO RESPOND BECAUSE WE SAW IN SOME CASES THAT PROJECTS
[00:51:04] WERE DELAYED JUST BY THE MERE FACT OF BRINGING
[00:51:08] ON EXPERIENCED STAFF SO THERE
[00:51:13] ARE MANY OPPORTUNITY COSTS THAT WE HAD IDENTIFIED I
[00:51:17] WOULDN'T SAY THAT OUR WORK WENT AS FAR AS QUANTIFYING
[00:51:21] THE SPECIFICS OF WHAT THE OPPORTUNITY COST
[00:51:25] FOR THE DELEGATION OF AUTHORITY BUT IT WAS CLEAR THAT IF
[00:51:30] THE COMMISSION AND THE PORT I REALLY
[00:51:34] WANTED TO DELIVER ON ITS CAPITAL PROGRAM
[00:51:38] THAT IT NEEDED TO LOOK AT ALL PROCESSES THAT MIGHT
[00:51:42] BE IMPEDIMENTS TO A TIMELY DELIVERY OF THE CAPITAL
[00:51:46] PROGRAM COMMISSION
[00:51:53] JODY HAVE ANY OTHER QUESTIONS OKAY GREAT WELL
[00:51:56] I'VE GOT A FEW FIRST OF ALL THANK YOU SO MUCH AND JOHN IT'S GREAT
[00:51:59] TO SEE YOU AND I'M GLAD YOU'RE WELL I HAVE A
[00:52:02] COUPLE OF QUESTIONS AND THEN A COUPLE OF COMMENTS SO MY FIRST
[00:52:06] QUESTION IS CAN YOU REMIND ME HOW THIS GOT PUT ON
[00:52:10] THE AUDIT COMMITTEE AGENDA I DON'T RECALL IT GLENN DID THAT
[00:52:13] COME FROM COMMISSIONERS OR DID IT COME FROM STAFF COMMISSIONER COCKINS
[00:52:18] ASKED FOR THIS TO BE CONTINUED ON RIGHT
[00:52:23] BUT INITIALLY THIS PROCESS OF LOOKING AT THE DELEGATION
[00:52:27] OF AUTHORITY SO IT WAS COMMISSIONER CALL CONSIDERED ASKED FOR IT WELL I THINK THE
[00:52:31] WAY WE'VE DONE THE AUDIT WE'RE PRESENTING IT
[00:52:35] IN THE DECEMBER 10 TH AUDIT COMMITTEE MEETING
[00:52:39] WE DID PRESENT THE CLEAN AUDIT AND THE EFFICIENCY
[00:52:43] ISSUE THAT IS PART OF THE AUDIT PRESENTATION AND THEN
[00:52:47] COMMISSIONER CLOCK AND ASK FOR THE CARRY ON DISCUSSION CORRECT
[00:52:54] NO I UNDERSTAND I REMEMBER IT IN THE DECEMBER MEETING I'M JUST WONDERING WHAT WAS
[00:52:58] THE IMPETUS FOR BRINGING THIS CONVERSATION FORWARD THIS AUDIT IN
[00:53:02] PARTICULAR WAS IT FROM THE COMMISSIONERS OR WAS
[00:53:05] IT FROM THE STAFF THE
[00:53:09] DELEGATION OF AUTHORITY ON IT AS WHOLE YES THAT
[00:53:13] WAS THE DELEGATION OF AUTHORITY ON IT YOU
[00:53:18] KNOW WHEN WE PICK THAT OUT IF I'M RECALLING NO IT
[00:53:23] WAS DEFINITELY NOT FROM STAFF IT WAS FROM IT WAS SOMETHING
[00:53:26] THAT WE THOUGHT WAS POTENTIALLY COULD BE A RISK I BELIEVE
[00:53:30] IT CAME FROM THE COMMISSION AND THEN YOU WANTED TO COMMENT ON THAT IN
[00:53:34] SHAPE I SAW YOUR HANDS UP YEAH HI DAN HI THERE CAN
[00:53:38] YOU HEAR ME OKAY WE CAN OKAY SO
[00:53:41] COMMISSIONER ARE YOU ASKING HOW IT GOT ON THE AUDIT PLAN LAST YEAR YEAH
[00:53:46] WHO BROUGHT IT FORWARD WAS IT MR CALKINS
[00:53:49] HAD ASKED FOR IT WELL WE GO THROUGH SO
[00:53:53] I'M GOING TO GIVE YOU A LONG ANSWER WE GO THROUGH A RISK ASSESSMENT PROCESS
[00:53:56] AND WE HAD DISCUSSIONS WITH SOME EXECUTIVE
[00:54:00] MANAGEMENT THAT HAD REQUESTED IT AND THEN I BELIEVE AS GLENN HAD MENTIONED THAT
[00:54:04] I THINK THERE WAS SOME COMMISSION INTEREST IN IT AS WELL OKAY AND
[00:54:08] THAT'S WHY AND SO JUST TO THE SAM
[00:54:12] I APOLOGIZE OR COMMISSIONER CLOCK IN IT EXCUSE ME WHEN

[00:54:16] YOU SAID IT WAS THE FIRST MEETING THAT YOU HAD ON THE COMMISSION IT
[00:54:19] WAS ACTUALLY THIS SUBJECT WAS THE VERY FIRST MEETING I HAD AS A COMMISSIONER
[00:54:23] ON MAY SIX TO 13 WAS ABOUT THE DELEGATION OF AUTHORITY
[00:54:27] AND DAVID WAS WITH YOU AND RALPH GRAVES SO IT'S
[00:54:31] A PERENNIAL TOPIC TO SAY THE LEAST SO
[00:54:35] I HAD A COUPLE OF THINGS AND THEN I HAD ANOTHER
[00:54:38] QUESTION AT THIS POINT I WANTED TO MAKE I WAS TRYING TO UNDERSTAND IT YOU
[00:54:42] DON'T HAVE TO ANSWER IT NOW BUT ON THE SIDE WHERE YOU SHOWED THE DIFFERENT
[00:54:45] GOVERNMENTS AND THE RANGE OF THEIR CAPITAL PROGRAM YOU SHOWED
[00:54:49] THAT SOUND TRANSIT WAS 1.9 BILLION OVER FIVE YEARS I'M
[00:54:52] NOT EXACTLY SURE WHAT FIVE YEARS YOU WERE LOOKING AT BUT SO IT AT
[00:54:56] LEAST ST THREE IS 54,000,000,000 DOLLARS SO
[00:55:02] WE'RE NOT EVEN IN A MAGNITUDE OF WHAT SOUND TRANSIT IS
[00:55:06] DOING SO I'M NOT SURE WHERE THAT 1.9 BILLION DOLLAR NUMBER
[00:55:09] CAME FROM BUT IF IT WAS MEANT TO SHOW THAT THE COURT OF
[00:55:13] SEATTLE'S CAPITAL BUDGET PROGRAM FOR FIVE YEARS IS MORE THAN SOUND TRANSIT THAT'S
[00:55:18] JUST A SLICE OF TIME BUT IT DEFINITELY DOES NOT SHOW THE MAGNITUDE OF WHAT
[00:55:21] SOUND TRANSIT IS BUILDING SO I THINK WE
[00:55:25] NEED TO BE TRANSPARENT ABOUT THAT AGENCY IN THEIR PROGRAM
[00:55:29] SO HOPEFULLY WE CAN GET THAT CORRECTED I THINK
[00:55:34] MAYBE MORE I WANT TO PICK UP WHERE COMMISSIONER SHE LEFT OFF A COUPLE OF
[00:55:38] THINGS IS THAT I THINK WHAT I'D BE LOOKING FOR IS MORE SOME
[00:55:42] RECOMMENDATIONS IN TERMS OF INTERNAL PROCESSES THAT
[00:55:46] COULD BE STREAMLINED ALL OF YOU HAVE MENTIONED SEVERAL TIMES
[00:55:50] THAT THERE ARE MANY INTERNAL PROCESSES AND WHETHER IT'S THE
[00:55:54] CPO FROM PURCHASING WHETHER IT'S CONTRACT AUTHORIZATION ALL
[00:55:59] OF THOSE I'D LOVE TO UNDERSTAND AS WE'RE MOVING FORWARD WITH
[00:56:02] THIS WORK THAT WE'RE NOT JUST LOOKING AT A DOLLAR AMOUNT AND THAT
[00:56:06] YOU'RE SHOWING US WHAT PROCESSES WITHIN THE PORT COULD BE
[00:56:09] STREAMLINED TO MAKE IT MORE EFFICIENT AND THAT'S
[00:56:12] NOT SOMETHING THAT THE COMMISSIONERS HAVE ANY VISIBILITY
[00:56:16] TO SO I WOULD REALLY CALL ON THE STAFF
[00:56:19] IF A MEMO HAVE TO HIT 20 PEOPLE'S HANDS
[00:56:23] BEFORE IT GETS TO THE COMMISSION HOW DO YOU STREAMLINE THAT RATHER
[00:56:28] THAN JUST SAYING BECAUSE IT'S UNDER 300 UNDER
[00:56:32] A MILLION DOLLARS WE NO LONGER HAVE TO WRITE A MEMO I THINK WHAT I
[00:56:36] WOULD BE CONCERNED ABOUT LOSING IN THAT PROCESS IS EVEN
[00:56:39] THE ABILITY FOR STEVE FOR OUR EXECUTIVE DIRECTOR TO HAVE AWARENESS
[00:56:43] ABOUT WHAT IS MOVING FORWARD SO WHETHER A MEMO GOES TO
[00:56:47] THE COMMISSION OR GOES TO THE EXECUTIVE DIRECTOR AT SOME POINT THERE'S
[00:56:50] A MEMO SO LET'S FIGURE OUT HOW WE CUT DOWN HOW MANY PEOPLE NEED
[00:56:54] TO BE INVOLVED IN DEVELOPING THE MEMO REVIEWING THE MEMO ET CETERA
[00:56:58] BUT I CAN'T IMAGINE JUST BECAUSE IT'S NOT ON DOESN'T REQUIRE COMMISSION
[00:57:02] AUTHORIZATION THAT THERE WOULDN'T BE A MEMO ANYMORE IF
[00:57:06] THAT MAKES SENSE SO I GUESS THAT'S ONE OF THE THINGS I'D BE LOOKING FOR
[00:57:09] YOU KNOW AGAIN I THINK ANOTHER ISSUE THAT I
[00:57:13] JUST WANT TO CALL OUT AND IT MIGHT BE SOMETIMES DIFFICULT
[00:57:17] TO UNDERSTAND BUT THERE IS IN MY OPINION AN IMBALANCE
[00:57:21] OF INTEREST TO SOME EXTENT AND AT
[00:57:25] THE END OF THE DAY IT COMES DOWN TO ACCOUNTABILITY AND THE COMMISSION
[00:57:29] AS ELECTED OFFICIALS BY THE
[00:57:32] VOTERS OF KING COUNTY ARE ULTIMATELY ALWAYS ACCOUNTABLE
[00:57:36] TO THE PUBLIC AND PORT STAFF
[00:57:40] WHILE THEY ARE THERE ARE THREE STEPS REMOVED FROM BEING
[00:57:43] ACCOUNTABLE TO THE PUBLIC IF SOMETHING GOES AWRY WITH
[00:57:47] A PROJECT OR WE GET A BAD AUDIT IT IS ULTIMATELY THE COMMISSIONERS
[00:57:50] RESPONSIBILITY AT THE END OF THE DAY WE'RE
[00:57:54] THE ONES THAT MAKE THAT FINAL DECISION I CAN'T
[00:57:58] RECALL IN MY NOW SEVEN AND A HALF YEARS ON THE PORT COMMISSION A
[00:58:02] TIME WHEN A PROJECT HAD GONE EXTRAORDINARILY OVER BUDGET
[00:58:06] OR JUST A LOT OF BAD THINGS THAT HAPPEN AND ANYBODY
[00:58:09] ON STAFF LOST THEIR JOB BUT AT THE END OF THE DAY
[00:58:12] AND I LOOK AT FOR EXAMPLE THE OVERRUNS AND THE PROBLEMS THAT

[00:58:16] WE HAD WITH THE INTERNATIONAL RIVALS FACILITY WE'RE
[00:58:20] ACCOUNTABLE THE COMMISSION IS ACCOUNTABLE AT THE END OF THE DAY WHICH IS WHY WE
[00:58:23] DEVELOPED THE EXECUTIVE REVIEW PANEL THAT WAS THE ENTIRE
[00:58:27] IMPETUS WAS TO MAKE SURE THAT I COULD REPORT BACK
[00:58:30] TO THE PUBLIC THAT WE HAD DONE EVERYTHING WE COULD AND MAKE THE CHANGES THAT
[00:58:33] WE NEEDED TO MAKE SO I JUST ASK YOU ALL
[00:58:36] TO CONSIDER THAT ACCOUNTABILITY AND THAT IMBALANCE AT
[00:58:40] LEAST FOR ME I FEEL RESPONSIBLE TO BEING ABLE
[00:58:44] TO EXPLAIN TO THE PUBLIC THE DECISIONS THAT WE'RE MAKING AND
[00:58:48] SO SOMEHOW WE NEED TO HAVE VISIBILITY TO THOSE DECISIONS
[00:58:51] TO COMMISSIONER CHOSE POINT THERE ARE MANY MANY HUNDREDS IF
[00:58:55] NOT THOUSANDS OF DECISIONS THAT THERE IS NO NEED FOR US TO HAVE ANY VISIBILITY
[00:58:59] TO HAND SANITIZERS IS ONE AND I DO WANT
[00:59:02] TO POINT OUT IF I MIGHT THAT I WAS THE
[00:59:05] ONE THAT SPONSORED THE MOTION TO INCREASE THE DELEGATION
[00:59:08] OF AUTHORITY FOR OUR EXECUTIVE DIRECTOR UP TO A MILLION DOLLARS FOR
[00:59:13] ANYTHING COPE RELATED AND SO VERY MUCH
[00:59:17] APPRECIATING THAT I DIDN'T WANT AND I SAID IN A PUBLIC MEETING I DON'T
[00:59:20] WANT ANYTHING TO TIE OUR EXECUTIVE OR THE STAFF'S HANDS IF WE
[00:59:24] NEED SOMETHING TO RESPOND TO COVID WHETHER IT WAS HAND SANITIZERS OR
[00:59:28] STAFFING OR WHATEVER IT WAS GET OR DONE SO
[00:59:32] I'D ASK AGAIN FOR YOU ALL TO CONSIDER AS THIS WORK
[00:59:36] IS CONTINUING THROUGHOUT THE YEAR ALSO PRESENT SOME
[00:59:39] OPTIONS IN THAT ARE THERE CERTAIN AREAS WHERE AN EMERGENCY DELEGATION
[00:59:44] OF AUTHORITY COULD BE INSTITUTED BECAUSE YOU ALL NEED TO MAKE DECISIONS
[00:59:48] QUICKLY AND THE PORT PROCESSES ARE HOLDING THINGS UP I
[00:59:52] THINK THAT'S ONE WAY THAT WE MIGHT BE ABLE TO GET AROUND ANOTHER
[00:59:56] POINT I WANTED TO MAKE A COMMISSIONER CHO IS STARTING
[01:00:00] HIS SECOND YEAR ON THE COMMISSION SO I HATE TO ALWAYS BE THE SENIOR PERSON
[01:00:03] HERE BUT I WILL CALL IT THERE'S INSTANCES WHERE IT'S NOT
[01:00:07] ABOUT THE DOLLAR AMOUNT IT'S MORE ABOUT THE POLICY AND THE ONE THAT MORE
[01:00:11] RECENTLY COMES TO MIND IS AND DAVE REMEMBERS US PAINFULLY
[01:00:15] I THINK WHEN THE FAA HAD TALKED TO US ABOUT
[01:00:19] NEEDING TO CUT DOWN TREES AT THE AIRPORT AND THE
[01:00:22] ORIGINAL AND THAT WAS JUST OVER I WANT TO SAY IT
[01:00:26] WAS MAYBE 400,000 DAVE IT WAS JUST OVER THE DELEGATION OF AUTHORITY IT WAS NOT
[01:00:30] A LOT OF MONEY BUT IT WOULD HAVE RESULTED IN ALMOST 4,000 TREES BEING
[01:00:34] CUT DOWN HAD THE COMMISSION HAD THE DELEGATION OF AUTHORITY BEEN
[01:00:38] A MILLION DOLLARS AND THERE WAS A HUGE OUTCRY FROM THE COMMUNITY IT
[01:00:41] WAS MONTHS AND MONTHS OF AN OUTCRY ABOUT CUTTING DOWN TREES BECAUSE
[01:00:45] WE HAD VISIBILITY BECAUSE WE WERE REQUIRED UNDER THE DELEGATION OF
[01:00:49] AUTHORITY TO APPROVE THAT ACTION THAT WAS THE ONLY REASON WE WOULD
[01:00:53] HAVE HAD ANY VISIBILITY TO THAT WE ENDED UP IN A REALLY GOOD
[01:00:56] PLACE OVER SEVERAL MONTHS WHERE THE STAFF WENT BACK AND TOOK A MORE
[01:01:00] SURGICAL FORGIVE THE PUN APPROACH TO CUTTING DOWN THE TREES
[01:01:04] I THINK WE ENDED UP WITH LESS THAN A THOUSAND THAT NEEDED TO BE
[01:01:07] REMOVED THE COMMUNITY WAS HAPPIER BUT IT REALLY WAS A
[01:01:10] GIVEN TAKE BETWEEN THE STAFF AND THE COMMISSION TO UNDERSTAND THE CONCERNS THAT
[01:01:14] THE COMMUNITY WOULD HAVE HAD AND SO THAT GOES BACK
[01:01:18] TO MY QUESTION OR MY CONCERNS ABOUT ACCOUNTABILITY IS THAT
[01:01:21] AT THE END OF THE DAY WE'RE ACCOUNTABLE TO THE PUBLIC AND SO BRING
[01:01:25] FORWARD RECOMMENDATIONS THAT I WOULD ASK FOR YOU TO BRING FORWARD
[01:01:29] RECOMMENDATIONS THAT TAKES THAT INTO CONSIDERATION THAT IS
[01:01:32] NOT JUST ABOUT THE DOLLAR AMOUNT THAT IS THINKING ABOUT THE LENS THAT WE NEED
[01:01:36] TO BE ABLE TO HAVE INFORMATION TO REPORT BACK TO
[01:01:39] THE PUBLIC FOR ME AT THE END IT'S NOT AND I'VE SAID THIS
[01:01:42] FOR NOW SEVEN YEARS IT'S NOT ABOUT THE DOLLAR AMOUNT AND I
[01:01:47] DON'T KNOW THE BEST WAY TO PUT IN PLACE
[01:01:51] SOME SORT OF POLICY FILTER I
[01:01:55] REALLY DON'T HAVE A GREAT IDEA ON THAT BUT I DO THINK SAM'S EARLIER
[01:01:59] POINT THAT YOU KNOW OPERATIONAL THINGS THERE'S
[01:02:03] A LOT WE COULD TAKE OFF THE AGENDA AND HOPEFULLY MOST
[01:02:07] IMPORTANTLY STREAMLINE ALSO FOR THE STAFF SO THAT STEVE

[01:02:11] DOESN'T OUR EXECUTIVE DIRECTOR DOESN'T HAVE TO APPROVE HAND
[01:02:15] SANITIZER THAT FOR ME IS A BIGGER ISSUE THAT THINGS WHETHER IT GOES TO
[01:02:19] EXECUTIVE DIRECTOR METRIC ORDER THE COMMISSION THINGS
[01:02:23] SHOULD BE DONE WITHOUT THAT PROCESS GETTING ALL THE WAY UP
[01:02:26] THAT FOOD CHAIN SO BRING FORWARD SOME OF THOSE
[01:02:30] RECOMMENDATIONS I THINK THAT'S
[01:02:34] IT I KNOW THAT'S A LOT BUT THOSE
[01:02:38] ARE MY INITIAL THOUGHTS I APPRECIATE THE COMMISSIONER STEIN BROKE
[01:02:41] AND I BELIEVE FELLOW COMMISSION PRESIDENT FELIMON ARE GOING TO BE CHAIRING
[01:02:46] A GOVERNANCE COMMITTEE THAT'S GOING TO BE LOOKING AT THIS SO I'M NOT REALLY SURE
[01:02:50] GLAD IF WE NEEDED TO BRING THIS BACK TO THE AUDIT COMMITTEE I BELIEVE THAT
[01:02:53] THIS WORK SHOULD GO TO THAT NEW GOVERNANCE COMMITTEE AND HAVE THEM GO THROUGH
[01:02:57] AND THEN WE CAN ALL TAKE IT UP AS A COMMISSION IF
[01:03:01] THAT MAKES SENSE I AGREE I THINK
[01:03:05] AND JUST TO YOUR EARLIER POINT AS DAN REMINDED
[01:03:09] ME WE DO DO AN ANNUAL RISK ASSESSMENT AT THE START OF THE YEAR AND
[01:03:12] THAT'S HOW WE BUILD OUR AUDIT PLAN AND FROM THE MANAGEMENT
[01:03:16] SIDE BACK IT WOULD HAVE BEEN 2,019 WE
[01:03:20] DID HEAR ABOUT INEFFICIENCIES OPPORTUNITIES FOR IMPROVEMENT SO EVEN
[01:03:23] AT THE RANK AND FILE WHEN YOU GO DOWN FOR MANAGEMENT THINGS WERE TAKING
[01:03:26] THEM ON THINGS WERE GETTING THERE WAS A LITTLE CONFUSION AND
[01:03:30] THE PROCESSES OF OLD EDSON OPPORTUNITIES FOR
[01:03:34] EFFICIENCIES IN THERE BUT THEY RAISED CONCERNS WE PUT IT
[01:03:38] RAISED IT TO THE AUDIT COMMITTEE WHICH WAS COMMISSIONER TIME BROKEN CAUCUS
[01:03:42] AS A POTENTIAL AUDIT AT THE TIME AND THEY CONCUR
[01:03:47] AND THAT'S HOW THE SCOPE KIND OF YEAH GROW TO NOT
[01:03:51] ONLY GO SEE DOWN WHICH WAS THE PAIN POINTS THAT STAFF
[01:03:55] IDENTIFIED TO US BUT THE WHOLE UMBRELLA AND THAT'S WHY
[01:03:59] WE KEPT THE WHOLE AUDIT OKAY THAT'S REALLY
[01:04:02] HELPFUL THANK YOU BECAUSE I WASN'T REMEMBERING AS PART OF OURS BY NO COMMISSION
[01:04:06] STEIN BRICKS HAD A BIG INTEREST IN THIS TOPIC AND AGAIN I'LL JUST
[01:04:10] REITERATE TO THE EXTENT THAT YOU ALL CAN RECOMMEND PROCESSES
[01:04:14] WITHIN THE PORT THAT COULD BE STREAMLINED TO GET TO THAT EFFICIENCY
[01:04:18] LET'S LOOK AT THAT I THINK WE'RE ALL VERY MUCH IN FAVOR OF
[01:04:21] LEAN OPERATIONS BUT THEN AGAIN ALSO TAKING
[01:04:25] INTO CONSIDERATION THE PUBLIC NATURE OF WHAT WE DO WE'RE
[01:04:29] NOT A PRIVATELY HELD COMPANY WHERE WE CAN JUST MAKE IT AS EFFICIENT AS POSSIBLE
[01:04:33] SO THERE ARE TIMES WHERE THE PUBLIC NEEDS TO SEE
[01:04:37] WHAT OUR PROCESSES ARE BUT MY EXPERIENCE IN
[01:04:41] THE TIME THAT I'VE BEEN ON THE COMMISSION IS WE'VE GOT MANY THINGS THAT WE
[01:04:44] COULD DO WITH CONTRACTING THAT COULD BE STREAMLINED WITH PURCHASE ORDERS
[01:04:47] THAT COULD BE STREAMLINED I CAN THINK
[01:04:51] OF PROBABLY THREE OR 4 DOZEN ITEMS THAT COME
[01:04:55] BEFORE THE COMMISSION THAT ARE JUST A CONTINUATION OF
[01:04:58] CONTRACTS THAT DO NOT NEED TO HAVE VISIBILITY TO THE COMMISSION AND IF
[01:05:02] THAT WOULD SAVE TIME ABSOLUTELY LET'S GET
[01:05:06] THOSE DONE FIRST AND THEN TACKLE THE
[01:05:09] BIGGER ISSUE OF HERE BECAUSE I THINK IT'S GOING TO BE MORE CHALLENGING
[01:05:12] TO FIGURE OUT THE POLICY LENS BY WHICH YOU BRING
[01:05:16] THINGS FORWARD BUT LET'S AT LEAST STREAMLINE THOSE THINGS THAT WE CAN DO OUTSIDE
[01:05:20] OF THE DELEGATION OF AUTHORITY WILL HARDLY AGREE IT
[01:05:24] GETS GOT MICHELLE AND AARON THAT BOTH HAVE THEIR HANDS OUT SURE THANK
[01:05:29] YOU COMMISSIONER I WAS JUST GOING TO SAY I ABSOLUTELY AGREE
[01:05:32] WITH YOUR COMMENTS WITH RESPECT TO IT NOT JUST BEING ABOUT THE DOLLAR AMOUNT BUT
[01:05:36] ALSO BEING ABOUT THE POLICY AS YOU KNOW PART OF OUR ROLE
[01:05:39] HERE IN THE COMMISSION OFFICE IS TO SUPPORT THAT PERIODIC REVIEW
[01:05:43] OF THE COMMISSION'S GOVERNANCE DOCUMENTS AND THAT IS ALL OUT
[01:05:46] OF THE SPIRIT OF TRANSPARENCY AND MAKING SURE THAT THE POLICIES
[01:05:50] AND PROCEDURES SYNC WITH EACH OTHER SO FOR OUR ROLE IN THE
[01:05:54] COMMISSION OFFICE IT WOULD BE SUPPORTING THE DISCUSSION THAT ARE
[01:05:57] HAPPENING HERE AN AUDIT COMMITTEE THAT THE STAFF WORK THAT WOULD AND
[01:06:01] SEE THEREAFTER AND THEN THAT FACILITATION
[01:06:05] TO THE GOVERNANCE COMMITTEE FOR FURTHER RECOMMENDATION BACK TO THE

[01:06:09] COMMISSION WITH RESPECT TO JUST THE OVERALL REVIEW OF
[01:06:12] THE GOVERNING DOCUMENT SO IF WE CONTINUE ON DOWN
[01:06:15] THIS PATH THAT IS THE RULE THAT WE WOULD HAVE HERE SO I JUST WANTED
[01:06:19] TO NOTE THAT FOR EVERYBODY'S INFORMATION AND I DON'T KNOW
[01:06:22] IF ERIN HAS ANYTHING ELSE TO ADD I
[01:06:26] JUST WANT TO SUPPORT WHAT MICHELLE SAID THAT'S RIGHT AND SHE'LL BE
[01:06:29] THE PROJECT LEAD OUT OF THE COMMISSION OFFICE ON THIS AND THAT
[01:06:36] FRAMING WHAT YOU SAID COMMISSIONER HAS SORT OF A QUESTION
[01:06:39] FOR THE GOVERNANCE COMMITTEE TO ADDRESS AROUND HOW
[01:06:43] CAN WE ENSURE THAT ACCOUNTABILITY IS BUILT IN AS A POLICY FOR
[01:06:47] THE DELEGATION VERSUS THE DOLLAR LIMIT AND I THINK
[01:06:50] THAT SORT OF SUMMARIZED A LITTLE BIT OF WHAT YOUR RECOMMENDATION
[01:06:53] IS TO TURN OUT OF THE AUDIT COMMA SO WE'LL BE SURE THAT'S
[01:06:57] COMMUNICATED AND I'LL CIRCLE BACK TO MAKE SURE WE HAVE THE ACCURATE SORT OF QUESTION
[01:07:02] POSED FOR THEM AND COMMISSIONED SO GOOD
[01:07:05] QUESTION I JUST
[01:07:10] WANTED TO YOU PIGGY
[01:07:14] BACK OFF OF WHAT COMMISSIONER BONE IS SAYING IS THAT WHEN WE TALK AT
[01:07:17] LEAST FOR ME WHEN WE'RE TALKING ABOUT PROCEDURE OPERATIONAL CHANGES
[01:07:20] TO WHEN WE MAKE APPROVALS THAT ALSO INCLUDES
[01:07:24] HOW WE CAN CHANGE THINGS WITHIN THE COMMISSION OFFICE AS WELL IT'S NOT JUST ON
[01:07:27] THE STAFF LEVEL RIGHT SO YOU KNOW ONE OF THE THINGS THAT I'VE ALWAYS WONDERED
[01:07:31] BEING NEW IS LIKE HOW DO WE DECIDE WHAT ENDS UP ON THE
[01:07:35] CONSENT AGENDA RIGHT LIKE WHAT IT SHOULD BE SOME
[01:07:38] OF THESE APPROVALS BE ON THE CONSENT AGENDA SO THEY'RE NOT SO
[01:07:42] WE CAN JUST VOTE THEM UP OR DOWN RIGHT AWAY AND THAT WAY THINGS MOVE
[01:07:45] QUICKER OR HOW THINGS MOVE THROUGH THE COMMISSION OFFICE
[01:07:49] AND SO I THINK THE RECOMMENDATION SHOULD BE COMPREHENSIVE IN THAT IT SHOULD
[01:07:52] INCLUDE ANY CHANGES PROCEDURAL WITHIN THE COMMISSION OFFICE AS WELL GREAT
[01:07:59] ANY OTHER QUESTIONS OR COMMENTS FROM BODY I'LL
[01:08:03] GO THROUGH THE ROLE MICHELLE YOU WANT TO GO THROUGH THE
[01:08:07] ROLE ONE MORE TIME SURE WE'LL JUST GO THROUGH ONE MORE TIME I'M GOING
[01:08:10] TO DEFER TO MEMBER GERKE I KNOW SHE HAD HER HAND UP ALONG THE WAY
[01:08:14] SO IT CAME BACK DOWN BUT JUST TO HAVE
[01:08:17] ANYTHING ELSE TO ADD I MEAN
[01:08:21] YEARS AGO WHEN I FIRST GOT ON THE AUDIT COMMITTEE IT WAS TOM
[01:08:26] ABR WHO ASKED THAT THIS DELEGATION AUTHORITY BE ADDED TO THE
[01:08:29] AUDIT UNIVERSE I KNOW THAT PREDATE SO A LOT OF PEOPLE IN THIS
[01:08:32] MEETING BEFORE THAT IT WASN'T PART OF IT AND
[01:08:36] I THINK THAT IT'S GOOD THAT THE INTERNAL AUDIT DEPARTMENT IS LOOKING AT
[01:08:40] THESE GOVERNANCE PROCESSES I LIKE THE CONVERSATION THAT THIS IS GENERATED
[01:08:44] BUT I TOTALLY AGREE THIS NEEDS TO GO TO A DIFFERENT COMMITTEE AND NOT BE
[01:08:47] AT THE AUDIT COMMITTEE ANYMORE TO ME IT'S NOT AN AUDIT ISSUE EXCELLENT
[01:08:53] AND THE COMMISSIONER TO DID YOU HAVE
[01:08:56] ANYTHING ELSE TO ADD AT THIS POINT THE COMMISSIONER BOWMAN
[01:08:59] ANY FURTHER THOUGHTS FROM YOU NONE FOR
[01:09:03] ME ALRIGHT WELL THEN
[01:09:06] I GUESS WE CAN MOVE ON SO LET'S SEE WE HAVE NO INFORMATION TECHNOLOGY
[01:09:10] AUDITS OR LIMITED CONTRACT COMPLIANCE AUDITS TO DISCUSS TODAY SO
[01:09:14] THAT BRINGS US TO CLOSING COMMENTS FROM OUR COMMITTEE
[01:09:18] MEMBERS AND A COMMISSIONER BUT BEFORE WE GO THERE CAN
[01:09:22] WE JUST ASK IF STAFF HAS ANYTHING THAT THEY WANT TO TIE
[01:09:26] UP WITH RESPECT TO THE LAST DISCUSSION PLEASE YES
[01:09:29] I'M SORRY I DIDN'T MEAN TO SHORTCUT ANY OF YOU GLEN
[01:09:36] IF I CAN JUST JUMP IN EVEN THOUGH WE'RE REMOVED FROM
[01:09:39] IT SINCE WE DID A LOT OF WORK ON IT JUST A DAVE
[01:09:42] AND HIS TEAM ON THE PROCESSES AND AS YOU RECOMMENDED COMMISSIONER
[01:09:46] OF OMAN WE'RE HAPPY TO PROVIDE KNOWLEDGE AND EXPERTISE
[01:09:49] AND INSIGHT TO THEM TO HELP US YEAH HELP THEM STREAMLINE AS
[01:09:54] A WORK AND STREAMLINING THE PROCESS EXCELLENT THANK YOU DO
[01:09:58] YOU HAVE ANY FINAL THOUGHTS NO I JUST WANTED TO SAY THANKS
[01:10:02] FOR THE FEEDBACK AND IDEAS WE WILL GET CRANKING AND WE'LL
[01:10:06] LOOK AT INTERNAL EFFICIENCIES BOTH ALL THE WAY THROUGH

[01:10:09] STAFF ALL THE WAY THROUGH THE COMMISSION OFFICE WITH AARON AND MICHELLE'S PARTICIPATION
[01:10:14] AND WE'LL SEE WHAT WE COME UP WITH AND WE WILL
[01:10:19] GIVE YOU OPTIONS THAT THE OUR
[01:10:23] CHOICE IS THE RIGHT THING IS TO GIVE YOU OPTIONS SO YOU CAN WEIGH THEM
[01:10:26] AND SEE THE BALANCING AND ANYWAY YOU ARE THE
[01:10:30] CUSTOMER THAT IS OUR VIEW HERE THANK YOU WELL THANK YOU
[01:10:33] AND I ONLY ADD AT THE END OF THE DAY THE CUSTOMER IS THE VOTERS
[01:10:37] AT KING COUNTY SO YOU ARE
[01:10:41] ACCOUNTABLE TOO YES THANK YOU ALRIGHT
[01:10:45] WELL WITH THAT SO THAT BRINGS US TO CLOSING COMMENTS
[01:10:49] FROM COMMITTEE MEMBERS AND WE'LL START WITH MEMBER KERK
[01:10:52] FOR CLOSING COMMENTS I HAVE NO COMMENTS THANK
[01:10:56] YOU FOR THE GREAT DISCUSSION TODAY THANK
[01:10:59] YOU MY BRICK RK COMMISSIONER TO JUST
[01:11:03] THANK THE STAFF FOR ALL THE GREAT WORK AND I'VE ALREADY
[01:11:07] LEARNED A LOT IN MY FIRST AUDIT COMMITTEE MEETING SO I'M LOOKING FORWARD TO THIS
[01:11:11] COMMITTEE FOR THE REST OF THE YEAR THANK YOU THANK YOU COMMISSIONER
[01:11:14] TOO AND FOR YOUR FINAL CLOSE AND COMMENTS COMMISSIONER BAM I JUST
[01:11:18] WANT TO THANK ALL THE STAFF AS WELL AGAIN GLENN AND THE
[01:11:21] REST OF YOUR TEAM RUDY EVERYBODY ELSE ON THE CALL GREAT JOB
[01:11:25] WITH THE STATE AUDITOR'S OFFICE AGAIN IT WAS REALLY HEARTWARMING
[01:11:28] TO SEE THAT WE HAVE ABSOLUTELY NO ISSUES SO THAT'S A WONDERFUL THING I
[01:11:32] HOPE WE DO GET THAT INFORMATION OUT TO THE PUBLIC THAT WE'VE HAD ANOTHER CLEAN
[01:11:35] AUDIT WITH THE AUDITOR'S OFFICE AND DAVE THANK YOU FOR
[01:11:38] YOUR TEAM'S WORK ON LOOKING AT THIS STICKY ISSUE PERENNIAL STICKY ISSUE
[01:11:42] THE HOPEFULLY 20 20 WON'T BE THE YEAR WE COME TO SOME RESOLUTION ON
[01:11:46] IT SO THANK YOU ALRIGHT
[01:11:49] WELL WITH THAT WE ARE ADJOURNED AND
[01:11:53] THE TIME IS 10 45 THANK
[01:11:58] YOU THANK YOU EVERYBODY HAVE A GREAT WEEKEND YOU TOO

END OF TRANSCRIPT