

START OF TRANSCRIPT

[00:00:28] ALL RIGHT GOOD AFTERNOON EVERYBODY THIS
[00:00:31] IS COMMISSIONER BOWMAN CALLING TO ORDER
[00:00:33] THE PORT OF SEATTLE AUDIT COMMITTEE
[00:00:35] SPECIAL MEETING TODAY IS THURSDAY APRIL
[00:00:38] EIGHT TH 2021 AND THE TIME IS 2:33
[00:00:42] WE'RE MEETING REMOTELY TODAY THE TEAM'S
[00:00:46] PLATFORM YOU COMPLY EXCUSE ME WITH THE
[00:00:48] GOVERNOR'S SAFE START STAY HEALTHY ORDER
[00:00:51] AND IN ACCORDANCE WITH PROCLAMATION 20-28.
[00:00:54] PRESENT WITH ME TODAY IS COMMISSIONER
[00:00:56] MEMBER SAM CHO AND PUBLIC MEMBER CHRIS GIRKY
[00:01:00] WILL THE CLERK PLEASE CALL THE ROLL TO
[00:01:02] ENSURE ALL COMMITTEE MEMBERS ARE ON THE
[00:01:03] LINE. THANK YOU BEGINNING WITH
[00:01:06] COMMISSIONER CHO. AYE. THANK
[00:01:10] YOU. MEMBER GIRKY. PRESENT. THANK
[00:01:13] YOU. AND COMMISSIONER BOWMAN. I'M HERE. ALL
[00:01:16] RIGHT THANK YOU VERY MUCH THIS IS A
[00:01:19] VIRTUAL MEETING WE'VE MADE SPECIAL
[00:01:21] ARRANGEMENTS TO PROVIDE FOR REMOTE
[00:01:23] PARTICIPATION FOR ALL OF OUR STAFF AND
[00:01:25] THE OUTSIDE PRESENTERS AND COMMITTEE
[00:01:27] MEMBERS. ALSO PLEASE NOTE THAT ALL VOTES
[00:01:30] COMMENTS AND QUESTIONS TODAY WILL BE
[00:01:32] TAKEN BY THE ROLL CALL METHOD AS A
[00:01:34] RESULT OF OUR VIRTUAL ENVIRONMENT. TO BE
[00:01:36] EQUITABLE WE WILL ASK ALL COMMITTEE
[00:01:38] MEMBERS TO SPEAK IN TURN AND WAIT TO BE
[00:01:39] RECOGNIZED BEFORE SPEAKING AS MUCH AS
[00:01:41] POSSIBLE. TO MAKE THIS MEETING MORE
[00:01:44] ACCESSIBLE TO THE PUBLIC THIS MEETING IS
[00:01:46] BEING LIVE STREAMED AND DIGITALLY
[00:01:47] RECORDED AND MAY BE VIEWED OR HEARD AT
[00:01:49] ANY TIME ON THE PORT WEBSITE. SO OUR
[00:01:53] FIRST ORDER OF BUSINESS TODAY IS THE
[00:01:54] APPROVAL OF THE MINUTES FROM THE JANUARY
[00:01:56] 29, '21 AUDIT COMMITTEE MEETING. ARE THERE
[00:01:59] ANY CORRECTIONS TO THE MINUTES? AND
[00:02:03] IF THERE'S NOT IS THERE A MOTION IN A
[00:02:05] SECOND TO APPROVE? A MOTION
[00:02:11] FOR THE MINUTES? SO MOVE. THANK YOU. AND I
[00:02:15] BELIEVE I HAVE TO SECOND IS THAT CORRECT
[00:02:17] MICHELLE? THAT IS CORRECT COMMISSIONER. ALL
[00:02:19] RIGHT AND I SECOND COMMISSIONER CHO'S
[00:02:21] MOTION. WITH THAT COMMITTEE MEMBERS
[00:02:25] THE QUESTION ON APPROVAL OF THE MINUTES
[00:02:27] IS BEFORE US PLEASE SAY YES OR NO WHEN
[00:02:29] YOUR NAME IS CALLED. BEGINNING WITH
[00:02:31] COMMISSIONER CHO. AYE. THANK YOU.
[00:02:34] COMMISSIONER BOWMAN. AYE. THANK YOU. YOU HAVE
[00:02:37] TWO YESSSES AND ZERO NOS. ALRIGHT THE
[00:02:39] MEETING MINUTES ARE APPROVED AS
[00:02:42] PRESENTED. NEXT WE HAVE
[00:02:45] LET'S SEE OUR NEXT ORDER OF BUSINESS IS
[00:02:47] THE UPDATES AND THE FIRST UPDATE IS
[00:02:49] REGARDING THE DIRECTOR'S ANNUAL
[00:02:50] COMMUNICATION INDEPENDENCE INTERNAL
[00:02:53] AUDIT CHARTER QUALITY ASSURANCE AND
[00:02:55] FOLLOW UP. PRESENTERS PLEASE UMUTE
[00:02:58] YOURSELVES NOW. COMMITTEE MEMBERS WILL
[00:03:00] REMAIN MUTED UNTIL THE PRESENTATION IS

[00:03:02] COMPLETE OR BREAK IS TAKEN FOR QUESTIONS.
[00:03:05] AT THAT TIME I WILL CALL ON EACH OF YOU
[00:03:07] TO ASK QUESTIONS OR MAKE COMMENTS. MR
[00:03:09] FERNANDEZ PLEASE INTRODUCE THIS ITEM.
[00:03:11] THANK YOU COMMISSIONER BOWMAN. MICHELLE IF
[00:03:14] YOU COULD PULL UP THE PRESENTATION.
[00:03:17] JUST GIVE ME JUST A MOMENT HERE I'M HAVING
[00:03:20] TECHNICAL DIFFICULTIES TODAY SO
[00:03:22] HOPEFULLY IT WILL ALL JUST COOPERATE
[00:03:25] NICELY. THERE WE GO. WORKING BEAUTIFULLY.
[00:03:28] NEXT SLIDE PLEASE MICHELLE. OKAY.
[00:03:34] COMMISSIONERS AND MS GORKY ONCE THE
[00:03:37] THINGS WE'RE REQUIRED TO DO IS ON A
[00:03:39] PERIODIC BASIS COMMUNICATE WITH YOU ON
[00:03:42] FOUR ELEMENTS THAT I'VE GOT HIGHLIGHTED
[00:03:45] HERE AND FOR YOUR BENEFIT WE FOLLOW
[00:03:49] TWO STANDARDS. INSTITUTE OF INTERNAL
[00:03:52] AUDITORS, OR THE IIA STANDARDS AND THE
[00:03:56] GOVERNMENT ACCOUNTABILITY OFFICE THE GAO
[00:03:58] STANDARDS AND THEY BOTH GOVERN INTERNAL
[00:04:01] AUDITS AND BECAUSE WE FOLLOW THOSE
[00:04:03] STANDARDS THEY HAVE THEIR UNIQUE
[00:04:04] REQUIREMENTS THAT REQUIRE US TO BE
[00:04:09] A BEST PRACTICE SHOP AND TO FALL UNDER
[00:04:12] THEIR UMBRELLA THERE ARE CERTAIN THINGS
[00:04:13] THAT WE NEED TO DO. SO THESE ARE THE
[00:04:15] THINGS THAT I'M GOING TO BRIEFLY TALK
[00:04:17] ABOUT TODAY. NEXT SLIDE PLEASE MICHELLE.
[00:04:20] THE FIRST ITEM IS INDEPENDENCE
[00:04:24] AS WITH ANY ORDER BE THE EXTERNAL OR
[00:04:26] INTERNAL INDEPENDENT BECOMES A VERY
[00:04:28] IMPORTANT THING FROM AN INTERNAL
[00:04:31] PERSPECTIVE THE MOST IMPORTANT THING IS
[00:04:34] ARE YOUR REPORTS COMPROMISED IF YOU
[00:04:37] DON'T REPORT TO THE RIGHT PEOPLE THEN
[00:04:40] SOMEONE IN THE ORGANIZATION COULD HAVE
[00:04:43] THE ABILITY TO MODIFY WHAT YOU'RE DOING
[00:04:45] AND COMMUNICATION ISN'T BASICALLY
[00:04:49] CLEAR AND OBJECTIVE. SO I
[00:04:53] WANT TO CONFIRM THAT INTERNAL OUR
[00:04:55] DEPARTMENT REPORTS THE AUTO COMMITTEE
[00:04:57] AND WE'RE MEETING TODAY AND
[00:05:00] ADMINISTRATIVELY WE REPORT TO THE
[00:05:02] EXECUTIVE DIRECTOR. SO NOTHING'S CHANGED
[00:05:04] THERE AND THAT CONTINUES. NEXT SLIDE
[00:05:07] PLEASE. COMMISSIONER'S, ONE
[00:05:10] OF THE THINGS WE NEED TO DO ON A
[00:05:12] PERIODIC BASIS IS HAVE A QUALITY
[00:05:13] ASSURANCE REVIEW SO IN ORDER TO HAVE
[00:05:18] QUALITY IN OUR REPORTS AND OUR WORK
[00:05:20] PAPERS AND OUR DOCUMENTATION, BOTH
[00:05:23] STANDARDS REQUIRE AN EXTERNAL PARTY TO
[00:05:25] COME IN FROM TIME TO TIME AND REVIEW THE
[00:05:27] WORK THAT WE'RE DOING. WE LAST HAD THIS
[00:05:30] IN DECEMBER OF 2018 AND THEY GO THROUGH
[00:05:32] ALL OUR WORK PAPERS THEY LOOK AT HOW WE
[00:05:35] DOCUMENT. THEY WANT TO MAKE SURE THAT
[00:05:37] PEOPLE ARE APPROVING STAFF WORK IN A
[00:05:39] TIMELY MANNER. AND AND
[00:05:43] THE QUALITY OF OUR WORK. ALSO THEY REVIEW
[00:05:45] ALL OF THAT WE LIKE I SAID WE HAD
[00:05:48] IN DECEMBER 2018 WHERE WE GOT THE
[00:05:51] HIGHEST RATING, OR A VERY CLEAN AUDIT.

[00:05:55] ESSENTIALLY AUDIT THE AUDITORS. BUT WE
[00:05:58] HAVE PERFECT RATING WE'LL HAVE THE NEXT
[00:06:01] ONE MOST LIKELY 2022. WE HAVE AN
[00:06:05] EXTENSION BECAUSE IT COVID WHERE
[00:06:08] WE CAN DO IT ANYTIME GOSH
[00:06:11] IN TERMS OF THREE YEAR REQUIREMENT FOR
[00:06:13] THE GEO THEORETICALLY WE COULD DO
[00:06:17] IT WE WOULD NORMALLY HAVE IT STARTED AT
[00:06:19] THE END OF THIS YEAR. WE'VE GOT A YEAR
[00:06:21] AND A HALF EXTENSION BUT WE'LL STILL GET
[00:06:23] IT DONE IN 2022. ANOTHER THING WE DO IS
[00:06:26] IN HOUSE WE HAVE A STAFF MEMBER THAT GO
[00:06:31] THROUGH TRAINING AND SELF ASSESSMENTS SO
[00:06:34] SHE WILL LOOK AT ALL THE WORK PAPERS
[00:06:37] PERIODICALLY OR A SAMPLE OF THEM AND
[00:06:40] MAKE SURE THAT WE'RE COMPLIANT. WHEN WE
[00:06:42] DO HAVE THE EXTERNAL REVIEW COME IN YOU
[00:06:46] KNOW THAT REVIEW WE KIND OF BUFFER
[00:06:50] TO MAKE SURE THAT EVERYTHING'S FIXED AND
[00:06:52] CLEANED UP AND IT ALSO CATCHES OTHER
[00:06:54] THINGS THAT THEY MIGHT NOT COVER IN
[00:06:57] THEIR SAMPLE. SO MULTIPLE POINTS LOOKING
[00:07:01] AT WHAT WE DO TO ASSURE THAT THE WORK
[00:07:03] THAT WE DO OUR I'S ARE DOTTED AND T'S ARE
[00:07:07] CROSSED AND AND WE BEAT ALL THE REQUIRED
[00:07:10] STANDARDS. BOTH FOR THE INTERNATIONAL
[00:07:12] STANDARDS AND THE US GEO STANDARDS. NEXT
[00:07:17] SLIDE PLEASE MICHELLE. THERE
[00:07:22] WAS A SLIDE A BULLET POINT THAT
[00:07:25] I TALKED ABOUT EARLIER CALLED THE
[00:07:29] CHARTER. EARLIER WE DID OUR CHARTER
[00:07:32] REVIEW. I JUST WANT TO POINT OUT WE DID
[00:07:33] OUR CHARTER REVIEW LAST YEAR SO WE DON'T
[00:07:35] NEED TO DO IT THIS YEAR AND OUR CHARTER
[00:07:37] IS CURRENTLY UPDATED. NOW ISSUE FOLLOW UP
[00:07:40] THIS IS THE LAST THING THAT THEY MAKE US
[00:07:42] LOOK AT. AND THE REASON THIS IS IMPORTANT
[00:07:45] IS WHEN YOU DO AN AUDIT AND YOU HAVE
[00:07:48] RECOMMENDATIONS, YOU WANT TO MAKE SURE
[00:07:50] THAT THOSE ARE ADDRESSED. YOU DON'T DO
[00:07:52] THE AUDIT AND IT'S JUST PUT ON A SHELF
[00:07:55] AND NOBODY DOES ANYTHING WITH IT BECAUSE
[00:07:57] OTHERWISE IT'S A WASTE OF EVERYONE'S
[00:07:59] TIME. WHERE YOU DO SOMETHING AND
[00:08:02] NOTHING IS DONE. IN SOME CASES OBVIOUSLY
[00:08:06] IT WOULD BE DONE BUT BUT BY FOLLOWING UP
[00:08:09] MONITORING AND MAKING SURE THAT ISSUES
[00:08:12] AND VULNERABILITIES GET CLOSED OUT, IT
[00:08:16] ASSURES A STRONGER CONTROL ENVIRONMENT.
[00:08:18] SO THESE CHARTS OVER HERE TALK A LITTLE
[00:08:21] BIT ABOUT HOW LATE SOME OF THESE ISSUES
[00:08:24] ARE. THE FIRST CHART ON THE LEFT TIME
[00:08:28] OUTSTANDING FROM THE PORT DATE SHOWS
[00:08:30] THAT WE'VE GOT SOME ISSUES. A FEW THAT
[00:08:32] ARE MORE THAN TWO YEARS. SOME THAT ARE
[00:08:36] ONE TO 2 YEARS AND SO ON. THE
[00:08:41] CHART OF THE RIGHTS OF THE 39 ISSUES OF
[00:08:43] TARGET DATE YOU KNOW THAT MEANS THEY'RE
[00:08:46] OVERDUE. AUDITEE
[00:08:51] SAYS THEY'RE GOING TO GET SOMETHING DONE
[00:08:54] THE PARTICULAR DATE WE TRACK AND IF
[00:08:56] THEIR WAY OVERDUE WE'LL SHOW THEM THIS
[00:08:59] CHART. WILL ALSO HIGHLIGHT THEM AND

[00:09:02] ASSESS WHETHER THERE ARE REASONS
[00:09:06] FOR BEING LATER REASONABLE. AS THE
[00:09:09] EIGHT ISSUES ARE OUTSTANDING FOR MORE
[00:09:12] THAN TWO YEARS. 1 WAS BECAUSE OF A
[00:09:16] MARINE, IT'S A BILLING SYSTEM FOR THE
[00:09:19] MARINE FISHING AND COMMERCIAL OPERATION
[00:09:21] THE MARITIME SID, AND YOU KNOW
[00:09:24] THEY WERE PRETTY FAR ALONG AND IT DIDN'T
[00:09:26] SEEM TO BE WORKING OUT WITH THE VENDOR
[00:09:28] SO WE'RE BUILDING IT IN HOUSE.
[00:09:32] COMMISSIONS ALREADY APPROVED THAT. WE'RE A
[00:09:34] LITTLE BIT BEHIND SCHEDULE BUT THEY ARE
[00:09:36] ON TRACK AND THEY ARE WORKING ON IT. SO
[00:09:38] THAT'S WHAT WE WANT TO SEE THAT JUST NOT
[00:09:40] TOTALLY NEGLECTED. ON THE IT FRONT THERE
[00:09:43] ARE SEVERAL ISSUES AS YOU CAN SEE THAT
[00:09:45] ARE OVERDUE. PRIMARILY BECAUSE IT'S FOCUS
[00:09:48] HAS BEEN MORE ON COVID AND THE REMOTE
[00:09:51] WORK ENVIRONMENT, BUT I DON'T WANT US TO
[00:09:54] LOSE SIGHT THESE ARE STILL IMPORTANT AND WE
[00:09:58] WILL CONTINUE TO FOLLOW UP WITH THEM. AND
[00:10:00] THEY DO NEED TO ADDRESS THEM AT SOME
[00:10:02] POINT. SO JUST A DIRECTIONAL HIGHLIGHT.
[00:10:06] AND BEFORE I MOVE TO THE NEXT LINE OF
[00:10:09] THE AUDIT PLAN I'LL OPEN IT UP AND SEE
[00:10:11] IF ANYONE GOT ANY QUESTIONS. AT THIS
[00:10:13] POINT.
[00:10:16] GREAT, ANY QUESTIONS? LET'S START WITH COMMISSIONER
[00:10:21] CHO. NO. NOT THIS TIME THANKS. OKAY
[00:10:26] MEMBER GIRKY, ANY QUESTIONS? NO QUESTIONS
[00:10:30] FOR ME THANK YOU. GLENN I JUST HAVE ONE
[00:10:33] QUESTION AND I APOLOGIZE IF I'M NOT
[00:10:35] SEEING THIS WHAT ARE THE TOTAL NUMBER
[00:10:40] OF ISSUES THAT YOU'RE FOLLOWING WHAT'S
[00:10:43] THE UNIVERSE? FROM
[00:10:47] REPORT DATE DATE RIGHT NOW, YOU KNOW, THE
[00:10:50] OUTSTANDING ISSUES THAT WE'RE FOLLOWING
[00:10:51] UP ON ARE 39 THE TOP LEFT. RIGHT,
[00:10:55] NO I UNDERSTAND THAT I MEAN OF ALL OF
[00:10:59] THE ISSUES OVER THE SAME TIME PERIOD
[00:11:02] WHAT'S THE PERCENT WAS 39 PERCENTAGE OF
[00:11:04] WHAT? OH UP THE ENTIRE UNIVERSE SO WHEN
[00:11:07] AN ISSUE IS COMPLETED AND CLOSED, SO WE
[00:11:10] PROBABLY HAVE HUNDREDS OF ISSUES THAT
[00:11:13] WE'VE SEEN AND WE'VE DOCUMENTED, BUT MOST
[00:11:15] OF THEM HAVE BEEN FIXED. SO FROM
[00:11:19] THE HUNDREDS OF ISSUES THAT WE'VE
[00:11:21] HIGHLIGHTED OVER THE YEARS, MANY
[00:11:24] HAVE BEEN CLOSED OUT. THE 39 THAT ARE ON
[00:11:27] ARE OUTSTANDING FROM THAT DATE. NOW SINCE
[00:11:30] WE DON'T TRACK ONES THAT ARE CLOSED AND
[00:11:32] ADDRESS WE JUST CLOSE THEM OUT. AND I
[00:11:34] MEAN WE COULD GET TO THAT GET THAT DATA
[00:11:36] BUT I DON'T KNOW HOW MUCH VALUE ADD.
[00:11:40] NO THAT'S OKAY I WAS JUST CURIOUS
[00:11:42] IF YOU KNEW OFF THE TOP OF YOUR HEAD. AND
[00:11:45] I REALLY APPRECIATE THIS BECAUSE IT'S
[00:11:47] VERY HELPFUL TO SEE I THINK FOR THE
[00:11:48] PUBLIC AS WELL YOUR FIRST POINT WAS VERY
[00:11:50] WELL TAKEN OF YOU'RE DOING THESE AUDITS
[00:11:53] AND REALLY MAKING SURE THAT THE WORK HAS
[00:11:55] BEEN DONE IS JUST AS CRITICAL AS DOING
[00:11:57] THE AUDIT ITSELF. AND SO THANK

[00:12:00] YOU FOR PROVIDING VISIBILITY TO THIS
[00:12:02] FOLLOW UP. IT'S REALLY IMPORTANT. IS THE
[00:12:05] THERE ANY SORT OF YOU MENTIONED THE IT
[00:12:07] ISSUE WITH COVID. ANY OTHER SORT OF
[00:12:10] SYSTEMIC ISSUES THAT YOU'RE SEEING THAT
[00:12:12] WOULD CAUSE A LONGER OUTSTANDING
[00:12:16] TIME. I THINK AT THIS POINT NO.
[00:12:21] I THINK IT'S IT THAT'S SLIPPING THAT WE
[00:12:24] PROBABLY NEED TO VISIT IN THE NON PUBLIC
[00:12:27] SESSION. OKAY BECAUSE THEY'RE SECURITY
[00:12:30] SENSITIVE. THAT WOULD BE WHERE THERE
[00:12:34] ARE A LARGER GROUPING OF ISSUES AT THIS
[00:12:37] POINT THAT ARE STILL OPEN. THAT WE NEED
[00:12:39] TO FIGURE OUT WE GOING TO DO THEM. SO THE
[00:12:45] STRATEGY FIGHT TEAM MIGHT BE SUCH THAT
[00:12:47] WE DECIDED TO DO SOMETHING DIFFERENT. BUT
[00:12:49] AS OF RIGHT NOW THEY HAVEN'T INDICATED
[00:12:52] TO US THAT THEY'RE DOING ANYTHING
[00:12:53] DIFFERENT THEY'RE STILL WORKING ON THEM.
[00:12:55] SO IT'S A MATTER OF MAKING SURE WE GET
[00:12:57] THE RIGHT RESOURCES TO RIGHT PEOPLE AT
[00:12:59] THE RIGHT TIME. SO AT SOME POINT THEY'RE
[00:13:01] ADDRESSED. AND SO POTENTIAL
[00:13:05] VULNERABILITIES. OKAY
[00:13:08] THANK YOU FOR THAT. ALRIGHT WELL IF THERE
[00:13:12] ARE NO FURTHER QUESTIONS AT THIS TIME
[00:13:14] FOR GLENN I THINK WE'LL MOVE ON TO THE
[00:13:16] NEXT ITEM. YES. NEXT SLIDE PLEASE MICHELLE.
[00:13:19] SO COMMISSIONERS FOR
[00:13:23] BENEFIT THE PUBLIC AND FOR COMMISSIONER
[00:13:25] CHO I JUST WANT TO GO OVER OUR AUDIT
[00:13:28] PLAN FOR 2021. WE MADE QUITE
[00:13:31] A GOOD PROGRESS ON TO DATE. BUT YOU
[00:13:35] KNOW ON THE LEFT HAND SIDE WE HAVE
[00:13:37] LIMITED CONTRACT APPLIANCE AUDITS. AND
[00:13:40] THESE ARE THE CONCESSIONAIRES AT THE
[00:13:41] AIRPORT AND ON THE MARITIME SIDE THAT
[00:13:43] PAYS PERCENTAGE REVENUES AND PERCENTAGE
[00:13:46] FEES IN ADDITION TO THE MAC. AND A LOT OF
[00:13:49] THIS INFORMATION IS SELF REPORTED, THEY
[00:13:52] SEND IN THERE WHAT WOULD THEY
[00:13:56] OWE US THE FINANCIAL STATEMENTS THAT
[00:13:58] THEY PUT TOGETHER, AND SEND US
[00:14:02] A PAYMENT, SO IT'S A QUASI HONOR SYSTEM TO SOME EXTENT.
[00:14:06] SO WE GO OUT, WE CYCLE
[00:14:08] THROUGH THEM AND WE MAKE SURE THAT A
[00:14:10] CERTAIN PERIOD OF TIME THE LARGER
[00:14:12] VENDORS ARE LOOKED AT BASED ON DOLLAR
[00:14:14] THRESHOLD, AND THE MEDIUM SIZE ABOUT FIVE
[00:14:18] TO 7 YEARS WE TRY TO GO AFTER THEM. AND
[00:14:20] AUDIT THEM AND THEN THE SMALLER VENDORS
[00:14:24] IT'S AD HOC. SO WHENEVER WE HAVE
[00:14:27] TIME OR RESOURCES BUT WE DO THE THEM OR
[00:14:30] AUDIT THEM FROM TIME TO TIME. ON THE
[00:14:32] OPERATIONAL SIDE THE BLUE COLUMN HERE,
[00:14:35] THESE ARE ALL AUDITS THAT COME THROUGH
[00:14:37] OUR RISK ASSESSMENT PROGRAM, WHERE WE GO
[00:14:40] OUT WE'LL TALK TO MANAGEMENT, TO STAFF
[00:14:42] AND TO COMMISSIONERS, AND GET THEIR
[00:14:47] CONCERNS. WE CAN'T LOOK AT EVERYTHING IN
[00:14:49] THE ORGANIZATION, BUT THE HIGHER RISK
[00:14:51] ITEMS THAT ARE BROUGHT FORWARD. AND
[00:14:55] WE'LL USE OUR JUDGMENT TOO. WE'LL LOOK AT

[00:14:57] HERE. WE HAVE THE OPERATIONAL ONES AND
[00:15:01] THE PURE OPERATIONAL ONES ACTUALLY
[00:15:03] CAPITAL IT'S A QUASI OPERATIONAL ONESELF
[00:15:05] SINCE CAPITAL IS SO LARGE AT THE PORT WE
[00:15:09] PUT THAT IN ITS OWN BUCKET. AND THEN
[00:15:11] WE'VE GOT ALL THE CAPITAL ONES OUT THERE
[00:15:13] THAT WE'LL BE LOOKING AT THIS YEAR. AND
[00:15:17] THEN WE ALSO HAVE INFORMATION TECHNOLOGY
[00:15:19] ON ITS. ON THE INFORMATION TECHNOLOGY
[00:15:22] SIDE, THE T2 AIRPORT
[00:15:26] PARKING GARAGE SYSTEM WAS A MANAGEMENT
[00:15:28] REQUEST, BASED ON A NEW SYSTEM
[00:15:31] THAT'S BEING PUT IN AND THE DOLLARS THAT
[00:15:34] FLOW THROUGH THAT. BUT MANY OF THE OTHER
[00:15:37] ONES ARE YOUR MALWARE,
[00:15:41] AND CONTINUOUS VULNERABILITY MANAGEMENT.
[00:15:43] THOSE ARE PART OF THE CIS TOP 20. CENTER
[00:15:46] FOR INTERNET SECURITY AND THOSE ARE
[00:15:49] THERE'S STANDARD BASIC AUDITS CRITICAL
[00:15:52] AUDITS THAT NEED TO BE DONE. AND THERE'S
[00:15:55] 20 OF THEM THAT EVERY ORGANIZATION
[00:15:57] SHOULD DO. WE'RE TRYING TO CYCLE THROUGH
[00:15:59] THOSE. BIOMETRICS WAS A COMMISSION
[00:16:02] REQUEST FROM THE BIOMETRICS COMMITTEE.
[00:16:04] AND THEN THE PCI PAYMENT
[00:16:08] CARD INDUSTRY AUDIT IS A REQUIREMENT
[00:16:12] THAT'S REQUIRED EVERY YEAR. AND WE
[00:16:15] HISTORICALLY WE FARMED IT OUT TO A
[00:16:17] CONSULTANT, BUT WE HAVE SOMEBODY WITHIN
[00:16:20] INTERNAL AUDIT THAT'S CERTIFIED TO DO THESE. SHE
[00:16:23] HAS GOT THE ISA CERTIFICATION
[00:16:28] WHICH IS AN INTERNAL QUALIFIED ASSESSOR
[00:16:31] CERTIFICATION, WHICH ALLOWS US TO DO IT.
[00:16:33] SO WE'LL BE DOING THIS THIS YEAR. AND
[00:16:35] THAT BASICALLY IT'S A REQUIREMENT FROM
[00:16:38] VISA AND MASTERCARD FOR ANYONE THAT
[00:16:39] TAKES VISA AND MASTERCARD AND HAS A
[00:16:42] CERTAIN VOLUME THAT FLOWS THROUGH
[00:16:43] EVERY ORGANIZATION THAT HAS LARGE
[00:16:47] VOLUMES OF THESE AND MASS CARD
[00:16:49] TRANSACTIONS HAVE TO DO PCI AUDIT EVERY
[00:16:51] YEAR, AND THAT'S WHY WE'RE DOING THIS.
[00:16:53] NEXT SLIDE PLEASE. THESE
[00:16:59] ARE JUST CONTINGENCY AUDITS
[00:17:01] COMMISSIONERS. SO AT THE BEGINNING OF THE
[00:17:03] YEAR WE'LL PUT A FEW CONTINGENCY AUDITS
[00:17:05] OUT THAT WE DON'T EXPECT TO DO UNLESS WE
[00:17:07] HAVE TIME OR RESOURCES. IT GIVES US
[00:17:11] A LITTLE PUSH IN SO WE DON'T HAVE
[00:17:13] DOWNTIME AND HAVE TO COME BACK TO THE
[00:17:14] COMMISSION. MOST OF THESE WILL TRANSFER
[00:17:17] OVER TO 2022 WE WILL GO THROUGH A FULL
[00:17:21] RISK ASSESSMENT AGAIN THIS YEAR AND
[00:17:24] ASSUMING THAT THEIR RISK STILL EXISTS
[00:17:27] AND IS HIGH ENOUGH AND THERE'S NOTHING
[00:17:29] ELSE FOR US IN THESE WILL TRANSFER OVER.
[00:17:32] OTHERWISE IF WE DO HAVE RESOURCES IN
[00:17:34] TIME WE'LL DO SOME OF THESE. BUT FROM NOW
[00:17:37] IT LOOKS LIKE ESPECIALLY ON THE
[00:17:38] OPERATIONAL SIDE, WE MOST LIKELY WON'T
[00:17:41] GET TO ANYTHING UNTIL 2022. AND
[00:17:45] THAT'S IT IN THE AUDIT PLAN. I'M GOING TO
[00:17:47] JUMP INTO THE AUDITS, cOMMISSIONERS,

[00:17:49] UNLESS ANYONE HAS QUESTIONS ON THE AUDIT
[00:17:51] PLAN. LET'S SEE. THANK YOU FOR THAT.
[00:17:55] LET'S MAKE SURE THAT WE DON'T HAVE A
[00:17:56] ROUND OF QUESTIONS. COMMISSION, UM, MICHELLE
[00:18:02] COULD YOU PLEASE CALL THE ROLL? BEGINNING WITH
[00:18:05] COMMISSIONER CHO. YEAH, I
[00:18:10] AM LOOKING AT THE THE CURRENT SLIDE AND I
[00:18:12] SEE NORTH SATELLITE. IF WE WERE TO DO AN
[00:18:15] AUDIT ON THE NORTH SATELLITE, AND IAF,
[00:18:19] WOULD THAT BE OF OUR VENDORS TO SEE
[00:18:22] WHETHER OR NOT WE WERE CHARGED CORRECTLY
[00:18:25] OR WHAT IS AN AUDIT OF THOSE PROJECTS
[00:18:27] LOOK LIKE? YEAH SO SOME OF THESE ARE
[00:18:30] PROBABLY GOING TO FALL INTO NEXT YEAR.
[00:18:31] THEY'RE HUGE PROJECTS COMMISSIONER CHO,
[00:18:34] AS YOU KNOW, TO GIVE SOMETHING A BILLION
[00:18:36] PLUS DOLLARS IN BOTH. AND THERE'S SO MANY
[00:18:39] ITEMS ON HERE THAT WE COULD LOOK AT THAT.
[00:18:42] WE LOOK AT WE'VE BEING BILLED CORRECTLY.
[00:18:44] THERE'S ACTIVITY, THERE'S CHANGE ORDERS,
[00:18:47] THERE'S HOURLY BILLING FOR CERTAIN ITEMS.
[00:18:51] AND IT'S A LOT OF
[00:18:55] WORK AND A LOT OF TIMES ESPECIALLY FOR
[00:18:56] THESE LARGE AUDITS. AND THAT'S WHY IT'S
[00:18:59] UNREALISTIC TO, GIVEN WHERE WE ARE THIS
[00:19:02] YEAR THAT WILL TACKLE IT. BUT YOU'LL
[00:19:05] PROBABLY FIND IN ANY OF THESE. ANY
[00:19:09] EXTERNAL PARTY WILL TELL YOU THAT YOU'LL
[00:19:11] FIND MONEY THAT'S ON THE TABLE THAT'S
[00:19:13] LEFT ON THE TABLE. SO THAT'S
[00:19:18] PROBABLY ONE ITEM THAT YOU LOOK. AT WHAT
[00:19:19] MONIES HAVE BEEN LEFT ON THE TABLE. WHERE
[00:19:21] HAVE WE BEEN INCORRECTLY BILLED, OR WERE
[00:19:24] THERE MISTAKES? ANOTHER THING IS CONTRACT
[00:19:28] LANGUAGE. WHERE WE HAVE THEY LIVED UP THE
[00:19:31] CONTRACT LANGUAGE AND EVERYTHING. AND IF
[00:19:33] SO, YOU KNOW WHAT REMEDIES ARE THERE TO
[00:19:37] THE PORT, AND WHAT DO WE NEED TO WHAT
[00:19:41] WE NEED TO DO TO RECOUP THOSE. AND AND AN
[00:19:44] AUDIT GOES THROUGH ALL OF THAT IN DETAIL,
[00:19:47] AND THAT'S
[00:19:51] WHAT IT PRESENTS BACK TO YOU. THESE ARE
[00:19:53] THE ITEMS THAT WE NEED TO RECOUP. SO I
[00:19:55] THINK IN AN AUDIT OF AN IF, WHICH HAS
[00:19:58] BEEN ONGOING FOR A LONG TIME, IT'S KIND
[00:20:01] OF LONG OVERDUE, AND WE'VE HAD MANY
[00:20:04] ISSUES IT'S LIKE WE SHOULD DO IT NO
[00:20:05] MATTER WHAT. BUT I GUESS WHAT I WANT TO
[00:20:09] UNDERSTAND IS, IF WE DON'T GET TO THESE
[00:20:12] IN 2021, WE WILL STILL ATTEMPT
[00:20:16] TO DO THESE LIKE IN 2022 OR LATER,
[00:20:18] CORRECT? THIS IS NOT A DO IT IN 2021
[00:20:21] WE'RE NOT DOING AT ALL SITUATION. NOW OUR
[00:20:23] INTENT IS FOR IAF, BECAUSE OF THE SCALE
[00:20:27] AND SIZE OF IT, IS WE HAVE RESOURCES IN
[00:20:30] HOUSE, BUT IT WOULD EXHAUST OUR RESOURCES
[00:20:33] ON SOMETHING THAT LARGE, SO WE'RE
[00:20:36] PROBABLY GOING TO COME TO THE COMMISSION,
[00:20:38] WE'RE GOING TO PUT THIS ON THE PLAN FOR
[00:20:40] NEXT YEAR BECAUSE OF THE SCALE. SO IAF IS ONE
[00:20:43] OF THE THAT'LL STICK AND IT'LL BE DONE
[00:20:45] NEXT YEAR. BUT WE'RE GOING TO COME TO THE
[00:20:47] AUDIT COMMITTEE AND PROBABLY ASK FOR

[00:20:50] PROBABLY GET SOME EXTERNAL RESOURCE IN
[00:20:53] THE FORM OF A CONSULTANT TO HELP US OUT
[00:20:55] WITH US FOR NAN POWER WHEN WE DO LOOK AT.
[00:20:58] IT. AND WE'LL COME BACK TO YOU IN THAT.
[00:21:01] I WILL TALK TO MY TEAM ABOUT IT AND,
[00:21:05] THEY'RE AWARE THAT WE NEED TO, YEAH I
[00:21:08] JUST WANTED TO MAKE SURE WE ,WEREN'T
[00:21:09] BRUSHING OVER IT BECAUSE WE DIDN'T
[00:21:10] HAVE THE RESOURCES OF THIS YEAR, THANK
[00:21:12] YOU. THANK YOU COMMISSIONER CHO. MEMBER
[00:21:15] GIRKY FOR QUESTIONS. NO QUESTIONS FOR ME
[00:21:18] THANK YOU. THANK YOU, AND THEN COMMISSIONER
[00:21:24] BOWMAN. NO I THINK THIS LOOKS LIKE A
[00:21:26] GREAT PLAN I APPRECIATE COMMISSIONER CHO
[00:21:29] QUESTION ABOUT THE IAF, WHEN I FIRST SAW
[00:21:31] THAT I THOUGHT THERE'S NO WAY WE'LL BE
[00:21:32] ABLE TO GET THAT DONE IN 2021. AND GLENN
[00:21:36] I THINK WHEN WE DO GET TO THE AUDIT OF
[00:21:38] THE IAF AND PROBABLY THE NORTH SATELLITE,
[00:21:40] IT WOULD BE GREAT TO TALK ABOUT REALLY
[00:21:43] SPECIFICALLY WHAT THE SCOPE OF THAT
[00:21:44] AUDIT IS GOING TO BE. CERTAINLY IN
[00:21:47] ADDITION TO THE PAYMENTS AND ALL OF THAT,
[00:21:49] I'M CURIOUS AS TO WHETHER, WHEN WE GET TO
[00:21:51] THAT POINT, WE CAN TALK ABOUT THE
[00:21:52] PROCESSES AS WELL. CERTAINLY WE HAVE
[00:21:56] OUR OUTSIDE REVIEW PANEL THAT LOOKED AT
[00:21:58] SOME OF THAT, WELL A LOT OF THAT FOR THE IAF,
[00:22:00] BUT I THINK IT WOULD BE WORTHY TO DO A
[00:22:02] SIMILAR AUDIT OF THE PROCESSES FOR THE
[00:22:05] NORTH SATELLITE. SO SOMETHING TO TALK
[00:22:08] ABOUT WHEN WE GET FURTHER DOWN THE ROAD
[00:22:10] ADOPTING THAT. I WHOLE-HEARTEDLY AGREE
[00:22:13] COMMISSION BOWMAN, SO WE WILL COME BACK
[00:22:15] TO YOU IN THAT WITH A LOT MORE DETAIL
[00:22:18] SHORTLY. I CAN I MAKE A COMMENT?
[00:22:22] TO MAYBE CLARIFY THAT THIS IS JANICE ONN,
[00:22:27] FOR THE NORTH SATELLITE, WE AS PART OF
[00:22:29] THE REGULATORY RCW REQUIREMENTS, WE
[00:22:33] DO HAVE AN OUTSIDE AUDITOR THAT HAS
[00:22:37] BEEN ON BOARD FOR SEVERAL YEARS, BECAUSE
[00:22:40] THERE ARE REGULATORY REQUIREMENTS FOR
[00:22:41] AUDIT OF THOSE NEGOTIATED PIECES OF THE
[00:22:45] CONTRACT, AND THEY HAVE ALSO BEEN
[00:22:47] LEVERAGED TO TO HELP US WITH REVIEWING
[00:22:50] OUR MONTHLY BILLING FOR THE NORTH
[00:22:52] SATELLITE. SO WHEN IT'S TIME FOR THAT
[00:22:54] PROJECT, THAT IS A POTENTIAL OF
[00:22:57] LEVERAGING THE OUTSIDE CONSULTANT
[00:23:01] TO SUPPORT THE INSIDE, IF THAT IS WHAT IS
[00:23:03] THE DESIRE OF THE COMMISSION AND THE
[00:23:06] AUDIT OFFICE. SO I THOUGHT I WOULD JUST
[00:23:08] SHARE THAT WITH YOU. THAT'S GREAT. AND
[00:23:11] THEN COMMISSIONER BOWMAN, I SEE ANOTHER
[00:23:14] HAND RAISE. I BELIEVE IT'S STAFF MR
[00:23:16] SPENCER BRIGHT. THANK YOU MICHELLE.
[00:23:20] I JUST WANTED TO ADD ON TO WHAT
[00:23:25] GLENN WAS MENTIONING AND COMMISSIONERS. WE
[00:23:27] DID PERFORM TWO AUDITS A
[00:23:31] COUPLE OF YEARS AGO OF THE IAF, AND WE
[00:23:35] REVIEWED THE NORTH SATELLITE A COUPLE OF
[00:23:37] YEARS AGO ALSO. AND SO WE CAN PROVIDE
[00:23:41] THOSE REPORTS TO YOU. YEAH,

[00:23:48] BUT THOSE WERE EARLY SPENCER'S POINT
[00:23:50] THOSE EARLY ON BEFORE WE HAD A GMP AND
[00:23:53] SOME OF THEM LIKE IN OUR FIRST AUDIT, WE
[00:23:56] SAID YOU KNOW THIS IS A GMP PROJECT AND
[00:23:59] WE DON'T EVEN HAVE A GMP YET SO THEY
[00:24:02] WERE BUILDING STEPS. NOW IT'S A
[00:24:05] LOOK BACK AND SPENCER IS ABSOLUTELY
[00:24:08] RIGHT, WELL THOSE REPORTS ARE AVAILABLE
[00:24:10] COMMISSIONER CHO, BUT A DETAILED LOOK BACK
[00:24:14] ON EVERYTHING THAT'S BEEN DONE IS
[00:24:15] IMPORTANT. WE ALSO TO JANICE ON'S POINT, YES,
[00:24:19] JANICE THE FIRM THAT SHE HAS IS VERY
[00:24:23] CREDIBLE AND VERY SKILLED AND WILL
[00:24:24] LEVERAGE OFF WE INTEND TO LEVERAGE OFF
[00:24:26] THEIR WORK. RICH. THANK YOU. NEXT
[00:24:31] SLIDE. I THINK WE'LL MOVE ON. I'LL JUST ADD
[00:24:34] ONE MORE THING TO IT. I JUST WANTED TO
[00:24:36] CALL OUT THAT WHEN THE EXTERNAL REVIEW
[00:24:40] PANEL WAS LOOKING AT THE IAF, ONE OF THE
[00:24:42] FINDINGS THAT THEY HIGHLIGHTED, I THINK
[00:24:44] IT'S REALLY IMPORTANT TO REMEMBER. IS
[00:24:46] THEY REALLY REFERRED TO IT AS A PROGRAM.
[00:24:48] AS OPPOSED TO A PROJECT. AND I DO HOPE
[00:24:52] THAT I BELIEVE THAT THE NORTH SATELLITE
[00:24:54] SHOULD BE VIEWED THROUGH A SIMILAR LENS.
[00:24:56] IT'S REALLY A MULTITUDE OF PROJECTS, THAT
[00:25:00] ARE WORKING UNDER AN OVERALL PROGRAM,
[00:25:03] AND I THINK YOU JUST VIEW IT A LITTLE
[00:25:06] BIT DIFFERENTLY WHEN YOU'RE LOOKING AT
[00:25:07] AN AUDIT BECAUSE THERE'S SO MANY
[00:25:09] CONTRACTORS INVOLVED IN SO MANY
[00:25:11] DIFFERENT TIMELINES AND SO MANY
[00:25:13] DIFFERENT STEPS. SO IT IS QUITE A BIT OF
[00:25:16] AN UNDERTAKING. BUT APPRECIATE ALL OF THE
[00:25:19] WORK THAT'S BEEN DONE TO DATE ON THAT.
[00:25:21] BUT I DO THINK WHEN BOTH OF THEM WRAP UP
[00:25:23] THERE'S STILL QUITE A FEW LESSONS
[00:25:25] LEARNED THAT WE CAN APPLY PROACTIVELY ON
[00:25:28] OTHER PROGRAMS AS WE UNDERTAKE. SAY FOR
[00:25:31] EXAMPLE THE SOUTH SATELLITE, THE C1
[00:25:34] BUILDING BUILD OUT, THOSE SORTS OF THINGS.
[00:25:37] THANK YOU. WELL WITH THAT I THINK WE WILL
[00:25:41] MOVE ON TO THE NEXT ITEM, WHICH IS THE
[00:25:43] OPERATIONAL AUDITS. OKAY SO
[00:25:47] THIS SLIDE TO MAKE SURE JUST ESSENTIALLY
[00:25:50] TALK ABOUT THE CHART THAT SHOWS WHERE WE
[00:25:52] ARE IN OUR AUDIT OF THE YEAR. THE ONES
[00:25:54] THAT ARE GREEN ARE DONE. ONE YOU KNOW
[00:25:57] THAT IN YELLOW WERE KICKED OFF ALREADY,
[00:26:00] AND THEY'RE IN PROCESS. THERE'S A LOT
[00:26:04] THAT WE HAVEN'T STARTED. THERE'S A LOT
[00:26:05] THAT WE'RE STARTING RIGHT NOW. SO I
[00:26:10] CAN SAY COMFORTABLY THAT AS OF RIGHT NOW
[00:26:13] WE'RE IN GOOD POSITION OF COMPLETING OUR
[00:26:16] PLAN ON TIME. WHICH IS IMPORTANT TO US
[00:26:19] ALSO, IT'S IT'S SOMETHING
[00:26:23] THAT YOU WANT TO MAKE SURE THAT
[00:26:26] YOU BALANCE THE RIGHT AMOUNT OF
[00:26:28] RESOURCES AND ARE ABLE TO HAVE MATERIAL
[00:26:32] AND COVERAGE. SO WE'RE THIS IS WHERE, WE
[00:26:34] START. NEXT SLIDE PLEASE AND MICHELLE
[00:26:37] NEXT SLIDE? AND NOW THE OPERATIONAL
[00:26:39] AUDITS. COMMISSION BOOK SO, ONE SLIDE OFF.

[00:26:43] SO I'M GOING TO WE'RE GOING TO TALK
[00:26:45] ABOUT FIVE AUDITS TODAY. ONE WILL BE IN
[00:26:48] NON PUBLIC SESSION, WHICH WILL ADJOURN TO
[00:26:51] THE MALWARE DEFENSES, BUT THE OTHER FOUR
[00:26:54] WILL GO OVER IN COMMISSION IN PUBLIC
[00:26:58] SESSION HERE. SO MICHELLE THE NEXT SLIDE.
[00:27:02] AND THEN ONE OF THE THINGS I WANT TO DO
[00:27:05] COMMISSIONERS, IS I WANT MY MANAGERS,
[00:27:09] OUR STAFF, TO TALK A LITTLE BIT AS WELL.
[00:27:11] THEY DO A LOT OF WORK ON THESE, SO I'M
[00:27:14] GOING TO JUMP IN AND HAVE DAN CHASE
[00:27:18] INTRODUCE HIMSELF AND SPEAK TO NORTH
[00:27:22] MONITORING DATA ACCURACY AUDIT. DAN IF
[00:27:24] YOU COULD UNMUTE YOURSELF. YEAH
[00:27:28] SO THANKS GLENN, AND GOOD AFTERNOON
[00:27:31] COMMISSIONERS, MS GIRKY. SO I'M DAN CHASE,
[00:27:35] AUDIT MANAGER HERE IN THE GROUP. CAN
[00:27:37] EVERYBODY HEAR ME OKAY I GOT NEW EARBUDS
[00:27:39] AND I'M GETTING USED TO THEM. YOU SOUND
[00:27:42] GREAT PERFECT, THANKS. SO I'LL
[00:27:46] PROVIDE A LITTLE BACKGROUND FIRST ON THE
[00:27:48] MONITORING PROGRAM. SO THE PORT OWNS 26
[00:27:52] TERMINALS THAT MEASURE NOISE EVENTS. AND
[00:27:57] THE TERMINALS ARE PLACED AS FAR NORTH AS
[00:28:00] LAKE CITY, AND THEY EXTEND AS FAR SOUTH
[00:28:04] AS FEDERAL WAY. AND NOISE DATA
[00:28:08] FROM THE TERMINALS IS THEN PROVIDED TO A
[00:28:10] THIRD PARTY VENDOR, L3 HARRIS, WHO
[00:28:14] MATCHES THOSE NOISE EVENTS TO SEATAC
[00:28:17] FLIGHT DATA. THAT INFORMATION IS
[00:28:21] THEN PROVIDED BACK TO THE PORT AND WE
[00:28:23] ARRANGE THE INFORMATION IN A REPORT
[00:28:26] FORMAT AND POST IT, OR
[00:28:30] PUBLISH IT, TO THE PORT WEBSITE FOR THE
[00:28:33] PUBLIC TO VIEW. NEXT
[00:28:37] SLIDE PLEASE MICHELLE. SO THERE'S
[00:28:42] A VISUAL OF THE TERMINALS AND I BELIEVE
[00:28:45] THERE'S 24 HERE. THERE'S ALSO TWO OTHER
[00:28:47] TERMINAL THAT ARE PORTABLE AREN'T
[00:28:49] LOCATED THAT AREN'T REFLECTED ON THIS
[00:28:51] SLIDE, A NICE VISUAL. NEXT
[00:28:55] SLIDE PLEASE. SO WE
[00:29:01] I THINK IT'S IMPORTANT TO POINT OUT THAT
[00:29:03] WE'RE NOT AWARE OF ANY FEDERAL OR
[00:29:05] REGULATORY FINES OR PENALTIES FOR NOT
[00:29:08] POSTING COMPLETE OR ACCURATE INFORMATION.
[00:29:10] THIS IS REALLY A PROGRAM THAT AS A
[00:29:13] PUBLIC AGENCY WE PROVIDE AS
[00:29:17] A PUBLIC SERVICE, IF YOU WILL, FOR WHOEVER
[00:29:21] WANTS TO VIEW IT. WE DID IDENTIFY ONE
[00:29:26] MEDIUM RATED ISSUE THAT I'LL GO INTO NOW.
[00:29:29] AND REALLY WHAT WE'RE GETTING AT IS WE
[00:29:31] WANT MANAGEMENT TO BE A BIT MORE
[00:29:34] PROACTIVE WHEN WE SEE THAT
[00:29:39] DATA IS EITHER MISSING OR IT'S
[00:29:42] INCONSISTENT OR MAYBE INCOMPLETE. SO
[00:29:46] MOST NOTABLY I'LL GO INTO SOME OF THE
[00:29:49] EXAMPLES. MONITOR NINE WAS
[00:29:53] DOWN AND I BELIEVE THAT'S IN THE BEACON
[00:29:56] HILL AREA, THAT WAS DOWN FOR ABOUT A
[00:29:58] THREE MONTH PERIOD IN 2020, FROM MAY
[00:30:02] TO THE FIRST PART OF AUGUST 8TH, OR
[00:30:05] FIRST PART OF AUGUST. SO IT'S MY

[00:30:09] UNDERSTANDING THAT THE MONITOR WAS
[00:30:11] BROKEN AND ACTUALLY NEEDED TO BE
[00:30:13] REPLACED. AND THAT'S AN EXAMPLE OF WE
[00:30:17] PROBABLY SHOULDN'T WAIT THREE MONTHS TO
[00:30:20] IDENTIFY THAT IT ACTUALLY WASN'T WORKING.
[00:30:24] THERE WERE ALSO SOME INSTANCES WHERE WE
[00:30:28] LOOKED AT THE DATA AND FOR SEVERAL
[00:30:30] MONTHS IT'LL BE AT A CERTAIN LEVEL AND
[00:30:32] THEN FOR A PERIOD OF TIME IT'LL DROP. AND
[00:30:35] WE'RE NOT EXACTLY SURE WHY THAT DROPS.
[00:30:37] AND THEN IT GOES BACK UP TO THAT LEVEL
[00:30:40] AGAIN. SO SOMETHING'S HAPPENING THERE
[00:30:41] THAT IT MIGHT MEAN THAT WE NEED TO GO
[00:30:45] OUT AND FIX THE MONITOR, OR IT'S
[00:30:49] NOT WORKING THE WAY IT'S SUPPOSED TO.
[00:30:52] THERE ARE INSTANCES THAT MANAGEMENT IS
[00:30:54] ACTUALLY IDENTIFIED WHERE A FUSE NEEDS
[00:30:58] TO BE REPLACED, OR THERE'S A POWER OUTAGE,
[00:31:01] AND I BELIEVE THERE'S A RESET BUTTON ON
[00:31:03] THE TERMINAL THAT NEEDS TO BE ENGAGED. SO
[00:31:08] THERE IS REPAIRS AND MAINTENANCE ON THE
[00:31:10] TERMINAL THAT NEED TO OCCUR. AND AGAIN
[00:31:15] WHAT WE'VE RECOMMENDED IS THAT
[00:31:16] MANAGEMENT ESTABLISH A BIT OF A MORE
[00:31:19] ROBUST MONITORING PROGRAM TO PROACTIVELY
[00:31:23] IDENTIFY IF A MONITOR NEEDS TO BE
[00:31:27] REPAIRED. SO I WILL PAUSE THERE, I
[00:31:31] KNOW WE HAVE STAND SHEPHERD, I THINK
[00:31:33] ARLAND PERCELL IS ON THE LINE AS WELL TO
[00:31:36] ADDRESS ANY QUESTIONS YOU HAVE. BEFORE I
[00:31:38] TURN IT BACK OVER TO THE AUDIT COMMITTEE
[00:31:40] I DO WANT TO THANK STAN AND HIS TEAM FOR,
[00:31:44] YOU KNOW, WORKING WITH US VERY WELL AND
[00:31:48] EMBRACING OUR RECOMMENDATION. IT WORKS
[00:31:51] REALLY WELL WHEN WE HAVE THAT
[00:31:52] COOPERATION. SO I WILL TURN IT BACK TO
[00:31:56] THE COMMITTEE FOR QUESTIONS AND MAYBE
[00:32:00] STAND AND ARLAND WOULD LIKE TO WALK
[00:32:01] THROUGH THEIR MANAGEMENT RESPONSE AS
[00:32:03] WELL. GREAT
[00:32:06] THANK YOU WELL COMMISSION CLERK HART
[00:32:09] WOULD YOU PLEASE HAVE MEMBERS PLEASE
[00:32:11] UNMUTE YOURSELVES AND CALL THE ROLL FOR
[00:32:13] QUESTIONS. CERTAINLY WE'LL BEGIN WITH
[00:32:15] COMMISSIONER CHO FOR QUESTIONS. I DON'T
[00:32:19] WANT TO, HAVE ANY QUESTIONS PER SE, I JUST
[00:32:22] WANT, WHEN IT COMES TO THE MONITORING
[00:32:25] DATA I UNDERSTAND HERE THAT WE'RE NOT
[00:32:27] DOING IT BECAUSE WE'RE BEING FORCED TO
[00:32:28] DO IT, BUT I DO THINK THAT IT'S A SERVICE
[00:32:31] THAT WE PROVIDE THAT PROVIDES THE
[00:32:35] SIGNALS TO OUR COMMUNITIES THAT WE CARE.
[00:32:38] AND I JUST WANT TO MAKE SURE AND I KNOW
[00:32:41] IT'S NO ONE'S INTENT, BUT I DON'T WANT
[00:32:42] THIS TO BE LIKE PERFORMATIVE, WHERE WE'RE
[00:32:45] CHECKING OFF A BOX. AND WE'RE SAYING YOU
[00:32:47] KNOW WE'RE DOING IT. RIGHT? BUT I DO WANT
[00:32:51] THE COMMUNITY TO FEEL LIKE WE'RE
[00:32:53] BEEN GENUINE IN OUR EFFORT TO PROVIDE
[00:32:55] SOME DATA. I KNOW THERE'S BEEN SO COMMUNITY
[00:32:56] MEMBERS WHO HAVE BEEN ASKING US
[00:32:58] FOR RAW DATA. AND SO I WOULD LIKE FOR US
[00:33:02] TO MAKE SURE THAT THE DATA THAT WE ARE

[00:33:06] COLLECTING IS AS ACCURATE AS POSSIBLE,
[00:33:08] EVEN IF IT'S NOT BEING USED FOR POLICY
[00:33:12] MAKING PURPOSES PER SE. SO I APPRECIATE
[00:33:14] ALL THE EFFORT THAT'S BEING MADE HERE
[00:33:16] AND I HOPE WE CAN KIND OF GET TO THE
[00:33:17] BOTTOM OF WHY SO WE'RE SEEING SOME
[00:33:20] INCONSISTENCIES. THANK YOU COMMISSIONER CHO.
[00:33:23] MEMBER GERKE FOR QUESTIONS. NO
[00:33:25] QUESTIONS FOR ME THANK YOU. THANK YOU.
[00:33:28] COMMISSIONER BOWMAN, ITS BACK TO YOU.
[00:33:30] THANK YOU, I THINK I'LL HOLD MY QUESTIONS
[00:33:33] AFTER WE HEAR THE MANAGEMENT RESPONSE,
[00:33:36] BUT I WOULD SAY VERY MUCH UNDERSCORE
[00:33:39] WHAT COMMISSIONER CHO IS BROUGHT UP, IN
[00:33:40] TERMS OF WHILE, THIS IS NOT A REQUIREMENT,
[00:33:43] I DO THINK IT'S REALLY IMPORTANT THAT WE
[00:33:46] PROVIDE AS MUCH ACCURATE INFORMATION AS
[00:33:48] POSSIBLE. AND IF SOMETHING GOES DOWN I'M
[00:33:51] EAGER TO LEARN HOW WE'RE GOING TO BE
[00:33:54] ABLE TO MANAGE IT SO THAT IT'S NOT DOWN
[00:33:56] FOR TWO OR 3 MONTHS. PARTICULARLY IN SOME
[00:33:59] OF OUR HIGHLY SENSITIVE NEIGHBORHOODS
[00:34:01] LIKE BEACON HILL. SO LET'S MOVE ON TO THE
[00:34:02] MANAGEMENT RESPONSE THAT WOULD BE GREAT.
[00:34:06] THANK YOU GOOD AFTERNOON COMMISSIONERS
[00:34:09] AND MS GIRKY I'M ARLIN PURCELL I'M THE
[00:34:11] INTERIM SENIOR DIRECTOR OF ENGINEERING
[00:34:14] ENVIRONMENT AND SUSTAINABILITY. AND I
[00:34:17] WANT TO START OFF BY SAYING WE REALLY
[00:34:19] APPRECIATED THE CHANCE TO INTERACT WITH
[00:34:23] THE AUDIT ON THIS. WE FOUND IT TO BE VERY
[00:34:25] CONSTRUCTIVE AND WE DEFINITELY AGREED
[00:34:28] WITH THE CONCLUSIONS THAT THERE ARE
[00:34:30] OPPORTUNITIES FOR PROACTIVE OVERSIGHT,
[00:34:33] AND WE'RE ALREADY WORKING ON ON THAT. SO
[00:34:36] WE HAVE FOUND WAYS TO IMPROVE OUR
[00:34:38] MONITORING OF THE SYSTEM BY REVIEWING
[00:34:40] DAILY REPORTS SPECIFICALLY DESIGNED TO
[00:34:44] CATCH GAPS IN COVERAGE. OUR VENDOR ALSO
[00:34:48] PERFORMS DAILY SYSTEMS CHECKS TO ENSURE
[00:34:50] COMPLETENESS OF DATA AND PROMPTLY
[00:34:53] NOTIFIES OUR STAFF OF ANY ISSUES. WE'VE
[00:34:56] ALSO STARTED TO IMPROVE OUR PUBLIC
[00:34:58] INFORMATION BY PLACING DATES AND TIMES
[00:35:00] OF DATA GAPS ON THE EXTERNAL TABLEAU
[00:35:03] WEBSITE FOR INCREASED TRANSPARENCY. AND
[00:35:06] WE HAVE PUT INTO PLACE A SERIES OF
[00:35:09] REVIEWS TO HELP ASSURE THAT THE DATA
[00:35:12] THAT IS TRANSFERRED TO OUR BUSINESS
[00:35:14] INTELLIGENCE UNIT IS AS COMPLETE AS
[00:35:16] POSSIBLE FOR BEING POSTED. SO I DO
[00:35:20] UNDERSTAND THAT THE AUDIT FOUND SOME
[00:35:23] ISSUES WITH RESPECT TO RELIABILITY, BUT
[00:35:25] THE SYSTEM HAS BEEN REMARKABLY STABLE
[00:35:28] GIVEN ALL THE EXTERNAL FACTORS AND
[00:35:30] CHALLENGES INHERENT WITH NOISE
[00:35:32] MONITORING. WE DO UNDERSTAND THE PUBLIC'S
[00:35:36] INTEREST IN THE DATA, AND WE ARE
[00:35:37] COMMITTED TO PROVIDING THE BEST
[00:35:39] INFORMATION AVAILABLE AND TO TAKING THIS
[00:35:42] SERIOUSLY AND BEING PROACTIVE,
[00:35:43] COMMISSIONERS AS YOU BOTH HAVE MENTIONED.
[00:35:46] CERTAINLY OPEN TO FINDING WAYS TO

[00:35:49] IMPROVE AND ACTING ON THOSE. AND I JUST
[00:35:52] WANT TO COMMEND THE INTERNAL AUDIT STAFF
[00:35:55] MARIA AND DAN JUST GREAT TO WORK WITH
[00:35:58] AND REALLY TOOK THEIR TIME TO TRY TO
[00:36:01] UNDERSTAND THE SYSTEM AND THE ISSUES
[00:36:02] INVOLVED. SO STAN SHEPHERD
[00:36:07] IS AVAILABLE IF YOU HAVE SPECIFIC
[00:36:09] QUESTIONS ABOUT THE MONITOR NINE THAT
[00:36:12] DAN MENTIONED, OR ABOUT ANY OTHER
[00:36:15] SPECIFIC ISSUES, BUT I WILL STOP HERE FOR
[00:36:17] NOW, THANK YOU. GREAT I DON'T
[00:36:21] HAVE ANY ADDITIONAL QUESTIONS I THINK
[00:36:23] YOU COVERED IT. THANK YOU AND IT'S
[00:36:24] REASSURING TO KNOW THAT IF I'M
[00:36:26] UNDERSTANDING YOU CORRECTLY THAT THE
[00:36:27] STAFF AS WELL AS THE CONTRACTOR LOOKING
[00:36:30] FOR THOSE GAPS, SO I'M ANTICIPATING THAT
[00:36:33] THAT WOULD MEAN YOU FEEL LIKE YOU'VE
[00:36:35] SOLVED THE PROBLEM OF 2 OR 3 MONTHS OF
[00:36:38] INACCURATE DATA. IF I UNDERSTAND CORRECTLY.
[00:36:41] YES I REALLY APPRECIATE THE
[00:36:45] CHANCE TO CORRECT SOMETHING AND PUT A
[00:36:47] MEASURE INTO PLACE WE HOPE WE'LL TAKE
[00:36:50] CARE OF THINGS MOVING FORWARD, SO THANK
[00:36:51] YOU. EXCELLENT THANK YOU. ALL RIGHT WELL
[00:36:55] IF THERE ARE NO FURTHER QUESTIONS I
[00:36:57] THINK WE'LL MOVE ON TO THE NEXT ITEM,
[00:36:59] THE SOUTH KING COUNTY FUNDS. MICHELLE
[00:37:05] NEXT SLIDE PLEASE. ONE MORE. OKAY
[00:37:11] COMMISSIONERS, SOUTH KING COUNTY FUND WAS
[00:37:14] AN AUDIT THAT CAME UP FOR RISK
[00:37:16] ASSESSMENT THIS YEAR AND BECAUSE OF THE
[00:37:18] HIGH VISIBILITY THAT WAS ADDED TO THE
[00:37:21] PLAN. AS THE SLIDE SAYS IT'S
[00:37:25] IMPORTANT IT HELPS OUT LOCAL COMMUNITIES
[00:37:28] ESPECIALLY IN SOUTH KING COUNTY,
[00:37:30] NONPROFITS, COMMUNITIES OF COLOR,
[00:37:33] HISTORICALLY MARGINALIZED COMMUNITIES,
[00:37:35] AND SO ON. IT WAS APPROVED BY A MOTION IN
[00:37:38] 2018, AND THERE'S QUITE A SIGNIFICANT
[00:37:41] AMOUNT OF MONEY IN THE FUND. ONE OF THE
[00:37:44] THINGS WE WANT TO HIGHLIGHT THE
[00:37:47] COMMISSION REQUESTED
[00:37:51] HAD A LONG DEBATE ON THIS BACK IN 2019,
[00:37:55] AND REQUESTED THAT ALL SOUTH KING
[00:37:59] COUNTY FUND MONIES COME TO THE
[00:38:01] COMMISSION FOR APPROVAL. SO IT DOESN'T
[00:38:04] FOLLOW THE STANDARD DELEGATION OF
[00:38:05] AUTHORITY THAT THE PORT HAS AT ALL
[00:38:07] FUNCTION DO NEED TO COME BEFORE THE
[00:38:09] COMMISSION AND THEY GET REVIEWED AND
[00:38:12] FUNDS TRANSPARENCY THERE AS WELL. ANOTHER
[00:38:16] THING I WANT TO POINT OUT IS IN THE
[00:38:18] COURSE OF THIS AUDIT WE LOOKED AT THE
[00:38:20] RCWS TO MAKE SURE THAT WE WERE
[00:38:24] COMPLYING WITH THE RCWS BECAUSE THE
[00:38:29] LAW HAS THE RCWS HAVE SEVERAL
[00:38:32] REQUIREMENTS FOR ANY SUCH FUND THAT NEED
[00:38:35] TO BE MET. FOR INSTANCE MONITORING
[00:38:39] PROCESS THAT NEEDS TO BE PUT IN PLACE TO
[00:38:42] MAKE SURE THAT THE FUNDS ARE USED FOR
[00:38:44] THEIR INTENDED PURPOSES. ALSO FOR EXAMPLE,
[00:38:48] PROCUREMENT RULES NEED TO BE FOLLOWED,

[00:38:51] AND WE ALREADY HAVE THAT STRUCTURE IN
[00:38:53] PLACE. BUT WE WANT TO MAKE SURE THAT
[00:38:56] WE'RE FOLLOWING UP WITH INTERNAL
[00:38:57] PROCUREMENT RULES WHICH ARE IN LINE WITH
[00:38:59] THE RCWS AS WELL. SO EVERYTHING'S ALIGNED
[00:39:02] THERE. WE DID LOOK THROUGH THAT AND WE
[00:39:06] LOOKED AT ALL THE PROJECTS ALL THE
[00:39:07] FUNDING THAT WAS GIVEN OUT BY BOTH BOOKTA'S
[00:39:11] TEAM, AND BOOKTA'S AND PIERCE'S TEAM AND BY
[00:39:14] ECONOMIC DEVELOPMENT AND THEN VERIFY
[00:39:19] THAT THOSE WERE IN COMPLIANCE. WE ALSO
[00:39:22] LOOKED AT ALL THE WORK THAT LEGAL HAD
[00:39:25] DONE, AND OUR INTERNAL LEGAL DEPARTMENT
[00:39:27] SCRUTINIZED US QUITE A BIT, AND MADE SURE
[00:39:29] THAT ALL OF THOSE RULES AND
[00:39:31] RECOMMENDATIONS ARE FOLLOWED AS WELL.
[00:39:33] NEXT SLIDE PLEASE. WE
[00:39:38] DID HAVE ONE ISSUE THAT WE FOUND THAT
[00:39:41] WERE THE TWO
[00:39:45] ITEMS THAT WERE GIVEN OUT BY ECONOMIC
[00:39:49] DEVELOPMENT TWO AWARDS, AND THOSE AWARDS
[00:39:53] FAILED TO MAKE IT TO COMMISSION. MOSTLY
[00:39:57] BECAUSE PEOPLE AREN'T AWARE OF THE PROCESS
[00:39:59] AND THE REQUIREMENTS, SO THAT WAS EASY
[00:40:03] FIX GOING FORWARD. ONE OF THE THINGS
[00:40:05] LEGAL AND EXECUTIVE DIRECTOR METRUCK
[00:40:09] RECOMMENDED THAT AS A FORMALITY, THESE SHOULD
[00:40:12] GO BACK TO THE COMMISSION FOR
[00:40:14] APPROVAL EVEN AFTER THE FACT.
[00:40:17] SO THESE WILL COME BACK TO COMMISSION
[00:40:21] FOR THAT. YOU
[00:40:24] KNOW ANOTHER THING THAT WE ALTHOUGH
[00:40:27] NOTHING WAS NON COMPLIANCE AS
[00:40:30] FAR AS MONITORING PROCESS AND SOME OF
[00:40:33] THE OTHER THINGS THAT ARE
[00:40:37] REQUIRED FOR RCW, THEY'RE NOT AS
[00:40:38] FORMALIZED IF YOU DON'T IF YOU HAVE
[00:40:41] OTHER DEPARTMENTS. AND I'M NOT SINGLING OUT
[00:40:43] ECONOMIC DEVELOPMENT HERE, BUT ANYONE
[00:40:45] ELSE OF THEIR ORGANIZATION COULD MISS
[00:40:47] SOMETHING, AND THEN YOU RUN THE RISK OF
[00:40:51] POTENTIALLY NOT BEING IN COMPLIANCE. SO MY
[00:40:55] NEXT SLIDE, DECK FIVE PLEASE, AND OUR
[00:40:57] RECOMMENDATION SAYS YOU KNOW SINCE THIS
[00:41:01] FUND IS PRIMARILY MANAGED BY TWO SENIOR
[00:41:05] DIRECTORS BOOKTA, PIERCE, BOOKTA
[00:41:09] KASAR, AND EDWARDS THAT
[00:41:11] EVERYTHING SHOULD FLOW THROUGH THEM. WHEN
[00:41:14] THINGS ARE OUTSIDE, IN THE INSTANCE OF
[00:41:16] THE EXCEPTIONS WE FOUND, THE PORT WEBSITE
[00:41:19] IS WRONG, AND IT'S NOT UPDATED CORRECTLY.
[00:41:21] SO WE'RE NOT REFLECTING TO THE PUBLIC
[00:41:24] WHAT WE'RE SPENDING CORRECTLY EITHER ON
[00:41:26] THE FUND. SO BY HAVING EVERYTHING FLOW
[00:41:29] THROUGH THE TWO CO SPONSORS, ONE WE
[00:41:32] ASSURE THAT COMMISSION REQUIREMENTS MET.
[00:41:35] TWO, ASSURE THAT RCW
[00:41:39] REQUIREMENTS ARE MET. AND THREE, WILL
[00:41:43] BE TRANSPARENT WITH THE PUBLIC. SO THAT'S
[00:41:47] WHAT WE'RE RECOMMENDING, THAT I BELIEVE
[00:41:49] WHAT BOOKTA AND PIERCE HAS AGREED TO. AND YOU
[00:41:54] KNOW I AS FAR AS THEIR RESPONSE GOES
[00:41:57] THEY'VE AGREED TO, BOOKYS OR PIERCE, EITHER

[00:42:00] IF IS ON THE LINE, MAYBE THEY CAN
[00:42:02] PROVIDE THEIR RESPONSE. SURE I'M ON
[00:42:06] BOOKTA, I DON'T KNOW IF YOU'RE ON, I'M HERE
[00:42:08] TOO PIERCE. WE CAN BOTH TO THAT POINT, YEAH
[00:42:11] SURE. I'LL JUST JUMP INTO IT AND IF I
[00:42:13] MISS ANYTHING BOOKTA , PLEASE LET ME
[00:42:14] KNOW. FIRST OF ALL GLENN THANK YOU AND
[00:42:16] GOOD AFTERNOON COMMISSIONERS, MISS GIRKY.
[00:42:18] AND GLENN. THANK YOU TO YOU AND YOUR TEAM
[00:42:20] FOR THE REVIEW OF THIS. THE FINDINGS HAVE
[00:42:23] BEEN VERY HELPFUL AND WE WOULD AGREE
[00:42:25] WITH THE RECOMMENDATIONS THAT YOU AND
[00:42:27] YOUR TEAM PUT FORWARD. OBVIOUSLY WE'RE
[00:42:30] VERY PROUD OF THE WORK THAT WE'VE BEEN
[00:42:31] ABLE TO ACCOMPLISH WITH A VERY
[00:42:32] COMPLICATED PROGRAM THAT SHIFTED
[00:42:35] SIGNIFICANTLY IN ITS SCOPE WITH
[00:42:38] THE COVID 19 ECONOMIC
[00:42:45] RECOVERY WORK. AND WE HAVE PUT IN PLACE
[00:42:48] OR ARE PUTTING IN PLACE THE
[00:42:49] RECOMMENDATIONS THAT GLENN DAN AND
[00:42:51] JENNIFER SUGGESTS TO US DURING THE
[00:42:53] REVIEW OF THE SOUTH KING COUNTY FUND.
[00:42:57] IT'S ALWAYS GREAT TO HAVE THESE REVIEWS
[00:42:59] AND DEFINED OPPORTUNITIES FOR PROCESS
[00:43:04] IMPROVEMENTS AND I THINK THAT NEXT TIME WE
[00:43:06] GO THROUGH THAT THIS WILL BE PRETTY
[00:43:10] RISK FREE AS FAR AS ANY PROCESS
[00:43:16] ISSUES ARE CONCERNED. BOOKTA IF YOU WANT
[00:43:19] TO JUMP IN, I KNOW DAVE, YOU ALSO AS WELL
[00:43:21] HAD A RECOMMENDATION TO PUT FORWARD FOR
[00:43:23] YOUR GROUP, AND IT'S IT'S GRANTS
[00:43:26] UNDER THE ECONOMIC DEVELOPMENT. PIERCE,
[00:43:30] I WOULD JUST ADD THAT ABSOLUTELY I WANT
[00:43:33] TO THANK GLENN AND ALL OF YOUR TEAM FOR
[00:43:36] THE INCREDIBLE WORK YOU'VE DONE. THIS WAS
[00:43:39] A VERY HEAVY LIFT FOR PIERCE, MYSELF, AND
[00:43:42] OUR TEAM. WE'VE LEARNED A LOT IN THE LAST
[00:43:45] YEAR AND A HALF AND WE WORK SO CLOSELY
[00:43:47] WITH THE LEGAL AND CPO TEAM WHO ALSO
[00:43:51] WORKED VERY HARD TO MAKE THIS HAPPEN .AND
[00:43:54] WE'VE LEARNED MANY LESSONS ABOUT HOW WE
[00:43:57] WANT TO DO THINGS DIFFERENTLY MOVING
[00:43:58] FORWARD. WE THANK YOU FOR ALL OF
[00:44:02] YOUR RECOMMENDATIONS AND I THINK AS
[00:44:04] PIERCE SAID, JUST A COUPLE OF THINGS THAT
[00:44:07] THE THREE ACTIONS SPECIFICALLY IS BUDGET
[00:44:11] ALLOCATION AND TRACKING FOR SOUTH KING
[00:44:13] COUNTY FUND WILL ALL BE SEEN BY
[00:44:16] ASSISTANT TO PIERCE EDWARDS. OUR TWO
[00:44:19] CO PROJECT MANAGERS ALISON BISON ON MY
[00:44:22] TEAM, ANDY GREGORY ON PIERCES TEAM, WILL
[00:44:26] REVIEW ALL INVOICES AND TRACK ON
[00:44:28] SPENDING OUT OF SOUTH KING COUNTY FUND, AND
[00:44:31] WILL DIRECT THE INVOICES TO PIERCE'S
[00:44:35] ASSISTANT. AND THEN SECOND IS CPO
[00:44:38] DIRECTOR WILL BE INFORMED ANNUALLY AS WE
[00:44:43] ALLOCATE DOLLARS FOR SOTH KING COUNTY
[00:44:45] FUNDS SO THEY KNOW WHAT TO EXPECT FOR
[00:44:47] THE YEAR, AND THEY CAN HAVE DETAILED
[00:44:49] INFORMATION AS QUICKLY AS POSSIBLE FOR
[00:44:53] THE WORK THAT'S AHEAD, BUT ALSO OF COURSE
[00:44:55] WE'LL BE VERY CLOSE WORKING WITH THEM

[00:44:57] CLOSELY AS WE IDENTIFY CONTRACTS AND
[00:45:00] PROGRAMS THAT WE'LL BE WORKING,
[00:45:03] WE'LL BE FINALIZING AND MOVING FORWARD.
[00:45:06] AND COMMUNICATIONS MATERIAL ALL WILL BE
[00:45:09] UPDATED TO REFLECT THE ENTIRE PROGRAM
[00:45:12] SPENDING FROM SOUTH KING COUNTY FUND. AND
[00:45:14] WE WILL WORK CLOSELY WITH DAVE MCFADDEN
[00:45:17] AND MEANN RICE TO STAY SUPER INFORMED
[00:45:21] WITH WHATEVER AMOUNTS OUT OF SOUTH KING
[00:45:23] COUNTY FUND ARE ALLOCATED TO DAVE
[00:45:25] MCFADDENS PROGRAM. TO SUPPORT SMALL
[00:45:28] BUSINESS CAPACITY BILLING AND GET
[00:45:31] REGULAR UPDATES BUT THE ENTIRE PROCESS
[00:45:34] WOULD BE ONE FROM PIERCE AND MY OFFICES.
[00:45:41] ALRIGHT, THANK YOU FOR THAT. WILL CLERK
[00:45:45] HART, WOULD YOU MIND, COMMISSIONERS AND
[00:45:48] COMMITTEE MEMBERS IF YOU CAN UMUTE
[00:45:50] YOURSELVES, AND CLERK HART, IF YOU CALL
[00:45:52] THE ROLL FOR QUESTIONS. CERTAINLY
[00:45:54] COMMISSIONER BOWMAN, I DO SEE MR MCFADDEN
[00:45:57] HAND JUST CAME UP, DO WE WANT TO HEAR
[00:45:59] FROM HIM FIRST? SURE OF COURSE, I DID WANT
[00:46:01] TO CONTRIBUTE TO THE MANAGEMENT RESPONSE,
[00:46:03] APPRECIATE WHAT PIERCE AND BOOTKA SAID. I PUT
[00:46:08] ON SOME TIMING TO THIS THAT I THINK IS
[00:46:10] MATERIAL TO THIS CONVERSATION AND THAT I
[00:46:14] WAS PAYING ATTENTION TO THE COMMISSION'S
[00:46:16] MOTION ON SOUTH COUNTY FUND PROBABLY IN
[00:46:18] 2019 AND DID NOT REMEMBER THIS ADDED
[00:46:22] MOTION IN '20. I WAS MORE DRIVEN AND WE
[00:46:25] HAD NO PLANS TO SPEND SOUTH COUNTY FUNDS
[00:46:27] TO SUPPORT SMALL BUSINESS RECOVERY UNTIL
[00:46:30] YOU PASS THE RECOVERY MOTION IN THE
[00:46:31] SPRING AND DIRECTED US TO LOOK AT
[00:46:33] RESOURCES INCLUDING SOUTH COUNTY FUND AS
[00:46:36] A TOOL FOR RECOVERY. AND IN THAT MOTION
[00:46:40] THE TIMING WAS IMPORTANT OF GETTING
[00:46:43] RESOURCES OUT THE DOOR AND SO THAT'S
[00:46:45] WHAT WE HEARD AND THAT'S WHERE WE
[00:46:46] STARTED LOOKING AT SOUTH COUNTY FUND TO
[00:46:49] PROVIDE SOME SMALL BUSINESS RELIEF AND
[00:46:51] RECOVERY SOUTH COUNTY. I'M
[00:46:54] SORRY A DOG. OKAY. MISSED
[00:47:01] A BEAT BUT WE'VE BEEN THROUGH TWO STATE
[00:47:03] AUDITS WITH OUR OTHER GRANT PROGRAMS
[00:47:06] WE'VE HAD NO FINDINGS WE DO HAVE
[00:47:07] CONFIDENCE IN OUR ABILITY TO ADMINISTER
[00:47:10] GRANTS WE WEREN'T AWARE OF THE INTERNAL
[00:47:12] REQUIREMENT. THAT'S ALL I HAVE, SORRY.
[00:47:15] THERE'S ONE HECK OF A HOUND DOG YEAH.
[00:47:19] LET'S GO TO COMMISSIONER CHO FOR
[00:47:22] QUESTIONS. I REALLY APPRECIATE THE
[00:47:26] LESSONS LEARNED I THINK. THIS IS FIRST
[00:47:30] ROUND OF DOING THIS AND I JUST WANT TO
[00:47:32] REMIND EVERYONE THAT, AND I THINK AS WE
[00:47:35] CONTINUE TO DO THIS WE'RE GOING TO KEEP
[00:47:36] LEARNING. AND SO I APPRECIATE EVERYONE'S
[00:47:39] KIND OF AGILITY ON THIS. AND I IMAGINE
[00:47:43] AS WE GO FORWARD WITH THE SUBSEQUENT
[00:47:46] ROUNDS OF THESE FUNDS, WE'RE GOING TO
[00:47:48] KEEP CONTINUING TO LEARN THINGS. AND SO I
[00:47:50] JUST APPRECIATE PIERCE, BOOKTA, AND DAVE FOR
[00:47:54] KIND OF ROLLING WITH THE PUNCHES HERE,

[00:47:57] AND MAKING THIS FUN POSSIBLE, BECAUSE
[00:48:01] I KNOW THAT THERE MAY HAVE BEEN SOME
[00:48:03] PUSHBACK WHEN IT WAS INITIALLY CONCEIVED,
[00:48:05] OBVIOUSLY I WASN'T HERE FOR THAT, BUT I'M
[00:48:08] REALLY EXCITED TO SEE HOW THIS FUND CAN
[00:48:11] GROW GOING FORWARD AFTER ALL THESE
[00:48:14] LESSONS LEARNED, SO THANK YOU. THANK YOU
[00:48:17] COMMISSIONER CHO MOVING TO MEMBER GIRKY
[00:48:19] FOR QUESTIONS. NO QUESTIONS FOR ME, THANK
[00:48:22] YOU. THANK YOU, COMMISSIONER BOWMAN. HI,
[00:48:26] JUST A COUPLE OF QUESTIONS, AND DAVE
[00:48:28] THANK YOU FOR PROVIDING THAT ADDITIONAL
[00:48:29] CONTEXT, THAT'S HELPFUL. I'M JUST CURIOUS
[00:48:33] ABOUT THE TWO ORGANIZATIONS THAT RECEIVE
[00:48:35] FUNDING FROM THIS FUND. IF WE COULD GO
[00:48:38] BACK TO THAT, MAYBE COULD YOU JUST
[00:48:40] PROVIDE A LITTLE BIT OF DETAIL ABOUT THE
[00:48:42] ORGANIZATIONS AND WHAT THE
[00:48:46] OUTCOMES WERE ASSOCIATED WITH THE
[00:48:48] FUNDING. HAPPY TO DO THAT, I
[00:48:52] THINK YOU'RE FAMILIAR, OUR FIRST CONTRACT
[00:48:54] WAS THE HIGHLINE SMALL BUSINESS
[00:48:55] DEVELOPMENT CENTER, THAT ACTUALLY CAME TO
[00:48:57] COMMISSION FOR APPROVAL AND JUST
[00:48:58] ANCHORED SMALL BUSINESS RELIEF IN THAT
[00:49:00] SOUTH COUNTY AREA. THEN WE'VE CONTRACTED
[00:49:03] WITH THE U S DEPARTMENT OF
[00:49:05] TRANSPORTATION, TRANSPORTATION RESOURCE
[00:49:07] CENTER. THEY'RE ONE OF A NATIONAL
[00:49:11] ORGANIZATION THAT PROVIDES TECHNICAL
[00:49:12] ASSISTANCE, SMALL BUSINESSES ESPECIALLY,
[00:49:14] DISADVANTAGED BUSINESS ENTERPRISES. HAVE
[00:49:17] A LOT OF GREAT TRAINING PROGRAMS THEY'RE
[00:49:20] PROBABLY MORE ADVANCED THAN OUR PORT
[00:49:21] TREND CLASSES .AND SO WE CONTRACTED WITH
[00:49:24] THEM TO OFFER A SERIES OF MORE ADVANCED
[00:49:27] PORT TYPE SEMINARS TO OUR SMALL
[00:49:29] BUSINESS PARTNERS. THAT ALL UNFOLDED
[00:49:32] BETWEEN, IT HAPPENED LAST FALL. AND WE HAD
[00:49:35] A TYPICALLY I THINK WE HAD 95 WINDY
[00:49:38] BUSINESSES ATTENDING THOSE PRETTY
[00:49:40] CONSISTENTLY. SO THAT'S A PIECE OF IT. AND.
[00:49:45] I WORK YES TO SOMETHING CALLED "FIND
[00:49:49] VENTURES", FIND VENTURES IS WE JUST
[00:49:52] KICKED OFF A NEW MINORITY BUSINESS
[00:49:55] ACCELERATOR, AND WE PICKED THEM THROUGH A
[00:49:57] PROCUREMENT TO MANAGE THAT PROGRAM WITH
[00:50:01] US. AND FIND VENTURES IS A FIRM THAT IS
[00:50:05] ULTIMATELY ORGANIZED AND OWNED BY
[00:50:07] ELIZABETH SCALLLIN AND SO WE HAD. SHE WON
[00:50:11] THE PROCUREMENT AND ALSO BROUGHT ALL
[00:50:13] THAT EXPERIENCE FROM OUR MARITIME
[00:50:15] ACCELERATOR. AND SO WE JUST STARTED THAT,
[00:50:18] COMMISSIONER BOWMAN, AND HAVING JUST
[00:50:22] ADVERTISING THE OPPORTUNITY AND TAKING
[00:50:24] APPLICATIONS AT THIS POINT. AND THEN THE
[00:50:28] ECONOMIC LINES? OR NO THAT'S THE ONE
[00:50:31] THAT SORT OF STOOD OUT BECAUSE THIS WAS
[00:50:33] THE SOUTH KING COUNTY FUNDING. I WAS CURIOUS IF THAT FELL
[00:50:36] IN THERE. SORRY, THAT DID RAISE A QUESTION.
[00:50:38] THAT IS WHERE WE GET THE RESOURCE FROM
[00:50:41] THE US DEPARTMENT OF TRANSPORTATION
[00:50:43] RESOURCE CENTER, aND THEY HAVE A SUB

[00:50:45] CONTRACT TO PROVIDE RESOURCES IN
[00:50:48] WASHINGTON STATE THROUGH THE ECONOMIC
[00:50:50] ALLIANCE. THE SERVICES THAT WERE IN THE
[00:50:52] NAME OF THE U S DEPARTMENT OF
[00:50:54] TRANSPORTATION RESOURCE. IN THAT'S
[00:50:57] CORRECT. RIGHT, THANK YOU FOR THE
[00:51:00] ADDITIONAL DETAIL, I REALLY APPRECIATE IT.
[00:51:02] WELL TO ECHO COMMISSIONER CHO POINTS,
[00:51:06] YOU REALLY DID ALL WORK AND VERY QUICKLY
[00:51:10] TO GET THIS MONEY OUT THE DOOR BUT I DO
[00:51:12] APPRECIATE THAT WE DID THE AUDIT AND
[00:51:14] THAT YOU'RE TAKING TO HEART SOME OF THE
[00:51:17] FINDINGS. I THINK THE PURPOSE THAT WE
[00:51:19] VERY INTENTIONALLY PUT IN THERE IS A
[00:51:21] COMMISSION TO HAVE THE COMMISSION
[00:51:23] AUTHORIZE, OR APPROVE I SHOULD SAY, THE
[00:51:26] FINAL PROJECT WAS FOR THAT REASON, TO
[00:51:29] MAKE SURE THAT WE ALL FELT COMFORTABLE
[00:51:31] ABOUT THE PURPOSE AND THE ORGANIZATIONS
[00:51:33] THAT THEY WERE GOING TO. I THINK LESSONS
[00:51:36] LEARNED ON THAT AND LOOK FORWARD TO
[00:51:39] MAKING SURE THAT AS WE DO FURTHER ROUNDS
[00:51:41] OF SOUTH KING COUNTY FUND, WILL THOSE
[00:51:45] CONTROLS WILL BE IN PLACE. ALRIGHT
[00:51:49] WELL IF THERE ARE NO FURTHER QUESTIONS I
[00:51:51] THINK WE'RE GOING TO MOVE ON TO THE
[00:51:52] CENTRAL TERMINAL. OKAY COMMISSIONER.. THANK
[00:51:56] YOU. THE NEXT AUDIT, CENTRAL TERMINAL
[00:51:58] INFRASTRUCTURE UPGRADE, WE HAVE A CATALOG
[00:52:03] MANAGER SPENCER BRIGHTNESS TEAM THAT DID
[00:52:05] THIS, AND WORKED IN THIS, JUST LIKE DAN
[00:52:08] SPOKE EARLIERM THIS IS SPENCERS TIME TO
[00:52:10] PRESENT HIS AUDIT TO YOU AND TELL YOU A
[00:52:12] LITTLE BIT ABOUT WHAT HE DID AND WHAT HE
[00:52:14] FOUND, SPENCER IF YOU CAN UNMUTE YOURSELF
[00:52:16] AND PRESENT, IT'S ALL YOURS. THANK
[00:52:20] YOU GLENN. GOOD AFTERNOON COMMISSIONERS,
[00:52:23] MISS GIRKY. BACKGROUND ON THE CENTRAL
[00:52:27] TERMINAL IN PRESENTION. CAN YOU INTRODUCE
[00:52:29] YOURSELF OR THE RECORD. YEAH I'M SORRY
[00:52:31] SPENCER BRIGHT, MANAGER INTERNAL AUDIT,
[00:52:35] AND I OVERSEE THE CAPITAL AUDITS. SO
[00:52:40] SOME BACKGROUND ON THE CENTRAL TERMINAL
[00:52:42] PROJECT, IT ADDED 10,000 SQUARE
[00:52:46] FEET OF DINING AND RETAIL SPACE TO THE
[00:52:49] AIRPORT AND A VERTICAL
[00:52:53] CIRCULATION SYSTEM. THE ORIGINAL
[00:52:56] CONTRACT, WHICH WAS AWARDED TO OSBOURNE
[00:53:01] CONSTRUCTION FOR 9.3 MILLION. BECAUSE
[00:53:06] OF CHANGE ORDERS THE FINAL CONSTRUCTION
[00:53:09] COST WILL BE APPROXIMATELY 12.1 MILLION.
[00:53:12] WE ACTUALLY PERFORMED TWO SEPARATE
[00:53:16] AUDITS OF THIS PROJECT THROUGH THE
[00:53:17] ENTIRE LIFE CYCLE THE FIRST AUDIT
[00:53:21] COVERED PRE CONSTRUCTION WHICH INCLUDED
[00:53:23] THE BIDDING PROCESS AND THE DESIGN PHASE.
[00:53:27] AND THAT AUDIT WAS PRESENTED TO THE
[00:53:30] COMMITTEE LAST DECEMBER. THIS AUDIT
[00:53:33] FOCUSED ON THE CONSTRUCTION AND THE
[00:53:37] CLOSEOUT PHASES. WITHIN THIS AUDIT
[00:53:42] WE REVIEWED FOUR AREAS. COMPLIANCE WITH
[00:53:45] THE SMALL BUSINESS UTILIZATION, OR
[00:53:48] NOT COMPLIANCE, BUT THE SMALL BUSINESS

[00:53:52] UTILIZATION GOALS AND THE CLOSE
[00:53:56] OUT PROCESS. WITHIN THOSE TWO AREAS WE
[00:53:59] DIDN'T IDENTIFY ANY ISSUES
[00:54:03] THAT WARRANTED ANY RECOMMENDATION BE
[00:54:08] INCLUDED IN THE AUDIT REPORT. THE TWO
[00:54:12] OTHER AREAS WE LOOKED AT WERE CHANGE
[00:54:15] ORDERS AND THE PORT MONITORING OF
[00:54:18] CRITICAL MILESTONES. AND THOSE TWO AREAS
[00:54:22] WE DID PROVIDE SOME
[00:54:25] FINDINGS AND RECOMMENDATIONS TO
[00:54:27] MANAGEMENT. NEXT SLIDE PLEASE MICHELLE.
[00:54:39] SO FOR THE FIRST ISSUE IT'S OUR HIGHEST
[00:54:43] RATED ISSUE. OUR TESTING IDENTIFIED
[00:54:47] APPROXIMATELY 18,000 DOLLARS IN OVER
[00:54:52] BILLING. ALL OF THESE OVER BILLING, WENT
[00:54:56] THROUGH FORCE ACCOUNT CHANGE ORDERS. AND
[00:54:59] FORCE ACCOUNT CHANGE ORDER IS IT A
[00:55:02] CHANGE ORDER THAT'S ISSUED ON AND NOT TO
[00:55:05] EXCEED BASIS. USUALLY IN SITUATIONS
[00:55:09] WHERE A ESTIMATED COST OF THE WORK IS
[00:55:13] NOT KNOWN AT THAT TIME, BUT THE CHANGE
[00:55:17] WORK NEEDS TO PROCEED. CONTRACTOR
[00:55:20] TRACKS THEIR EXPENSES ON A DAILY BASIS,
[00:55:23] AND THEN UPON COMPLETION OF THE CHANGE
[00:55:26] ORDER WORK ,THE PORT ISSUES A SEPARATE
[00:55:29] CHANGE ORDER TO RECONCILE THE DIFFERENCE
[00:55:33] BETWEEN THE ORIGINAL AMOUNT, THE NOT TO
[00:55:36] EXCEED AMOUNT, AND THE
[00:55:40] CONTRACTORS COSTS. WE DID
[00:55:44] PROVIDE PROCESS IMPROVEMENT
[00:55:46] RECOMMENDATIONS TO THE CM GROUP AND
[00:55:49] RECOMMEND THAT ANY AMOUNTS DUE, THE
[00:55:53] PORT SEEK ANY AMOUNTS DUE. AND THEN
[00:55:57] NEXT SLIDE PROVIDE SOME DETAILS ON WHAT
[00:56:00] WE FOUND. SO
[00:56:05] THE MAIN AREAS THAT WE FOUND OVER
[00:56:09] BILLING INCLUDE OVERTIME
[00:56:13] RATE CHARGE TO THE PORT, INCORRECT
[00:56:18] NUMBER OF HOURS FOR A PARTICULAR
[00:56:21] SALARIED EMPLOYEE. WHEREAS THE
[00:56:24] CONTRACTOR PAID THIS EMPLOYEE
[00:56:29] REGULAR RATE AT EIGHT HOURS A DAY. WE
[00:56:32] NOTICED IN ONE INSTANCE WHERE THERE WAS
[00:56:36] A DOUBLE COUNTING OF DAILY FORCE ACCOUNT
[00:56:39] FIELD DOCUMENTS THAT WERE PROVIDED. AND
[00:56:44] WE NOTICED TIME WHERE
[00:56:48] THE PORT WAS BILLED FOR
[00:56:51] COVID 19 SAFETY SUPERVISOR THAT
[00:56:54] WAS REQUIRED ONCE THE COVID
[00:56:58] PANDEMIC OCCURRED. NEXT
[00:57:03] SLIDE PLEASE. AND
[00:57:09] I PROVIDED A COUPLE OF EXAMPLES IN
[00:57:13] THIS EXAMPLE THE PORT ACCOUNT FIELD
[00:57:17] DOCUMENTS THERE WERE COPIES PROVIDED
[00:57:21] WITH ONLY THE DATES CHANGED TYPE
[00:57:24] SIGNATURE FROM THE CONTRACTOR INSTEAD OF
[00:57:27] AN ORIGINAL SIGNATURE WHICH I WOULD HAVE
[00:57:30] LIKED TO HAVE SEEN. FOR EACH
[00:57:33] ONE OF THESE IN THIS EXAMPLE THE
[00:57:37] PORT WAS BILLED FOR 12 HOURS PER DAY AT
[00:57:40] THE OVERTIME RATE FOR THE SUPERINTENDENT.
[00:57:43] AND THEN AS I HAD MENTIONED ALTHOUGH THE
[00:57:45] SUPERINTENDENT WAS A SALARY EMPLOYEE.

[00:57:50] NEXT SLIDE PLEASE. SO SPENCER
[00:57:55] ON THAT PREVIOUS SLIDE IF YOU CAN ALSO
[00:57:57] EXPLAIN THE SUPERINTENDENT
[00:58:01] WAS BILLED AT 12 HOURS OVERTIME RATE
[00:58:03] WHEN THEY SHOULD HAVE BEEN BILLED AT HOW
[00:58:05] MUCH FOR THE DAY. THE REGULAR
[00:58:09] RATE THAT WAS APPROVED. THE TWO RATES
[00:58:12] EXACTLY THERE IS A PREMIUM RATE. OR OVER
[00:58:16] TIME. AND THEN THE REGULAR RATE. AND
[00:58:19] BECAUSE THE CONTRACTOR AND ON FORCE
[00:58:22] ACCOUNTS IT'S BASED ON ACTUAL COSTS
[00:58:25] BECAUSE THE SUPERINTENDENT WASN'T PAID
[00:58:30] BY HIS EMPLOYER ANY OVERTIME RATE, THEN
[00:58:34] WE SHOULDN'T HAVE BEEN BILLED FOR THAT OVER
[00:58:36] TIME RATE. OKAY AND
[00:58:41] NEXT SLIDE PLEASE. HERE'S AN
[00:58:45] EXAMPLE OF THIS IS
[00:58:49] OUR PARKING GARAGE RECEIPT THAT WAS
[00:58:53] SUBMITTED AS PART OF THE SUPPORTING
[00:58:56] DOCUMENTS FROM OSBORNE. IN THIS
[00:58:59] PARTICULAR CASE THIS
[00:59:03] PARKING GARAGE RECEIPT SHOWS THAT THIS
[00:59:06] IS FOR THE COVID SUPERVISOR ENTERED THE
[00:59:09] PARKING GARAGE AROUND 5 30 AM AND LEFT
[00:59:12] AT 9 30 A M. SO THAT'S FOUR
[00:59:16] HOURS ON SITE HOWEVER ON THAT PARTICULAR
[00:59:18] DAY THE PORT WAS BILLED FOR EIGHT HOURS.
[00:59:22] IN ADDITION WHEN WE
[00:59:25] COMPARED SUPERVISORS, THIS SAFETY
[00:59:29] SUPERVISORS TIMESHEETS THAT WE OBTAINED
[00:59:32] FROM OSBORNE, WE ALSO NOTED INSTANCES
[00:59:36] WHEN THE PORT WAS BEING BILLED FOR
[00:59:38] HOLIDAYS, SUCH AS THE JULY THIRD,
[00:59:42] WHICH WAS INDEPENDENCE DAY HOLIDAY
[00:59:45] OBSERVED. WE ALSO NOTICED A PARTICULAR
[00:59:48] WEEKS OR PARTICULAR DAYS IN A WEEK THAT
[00:59:52] THE SUPERVISOR WASN'T ON SITE OR WASN'T
[00:59:55] WASN'T CODED TO THIS PARTICULAR PROJECT.
[00:59:58] MAYBE ON VACATION OR COULD
[01:00:03] HAVE BEEN WORKING ON ANOTHER OSBORNE
[01:00:05] PROJECT BUT WE WERE BILLED. I'M NOT QUITE
[01:00:07] SURE THE REASON.
[01:00:10] NEXT SLIDE PLEASE.
[01:00:18] THIS IS OUR SECOND RECOMMENDATION
[01:00:21] THAT WE HAVE. SO THERE
[01:00:25] WERE FOUR CRITICAL MILESTONES IN THIS
[01:00:28] PROJECT THAT NEEDED TO BE SUBSTANTIALLY
[01:00:32] COMPLETED BY SPECIFIC DATES. IN
[01:00:35] ORDER FOR THE PROJECT TO REMAIN ON
[01:00:38] SCHEDULE. WHEN MILESTONES
[01:00:42] WERE NOT MET, THE PORT WAS ENTITLED
[01:00:45] TO ASSESS LIQUIDATED DAMAGES AGAINST
[01:00:49] OSBORNE FO FOR THE ADDITIONAL COSTS THE
[01:00:53] PORT WOULD INCUR.
[01:00:57] IN OSBORNE DO NOT MEET COMPLETION DATES
[01:01:02] FOR IN ANY OF THE FOUR MILESTONES, AND
[01:01:06] SO INSTEAD OF ASSESSING LIQUIDATED
[01:01:09] DAMAGES THE PORT ISSUED MULTIPLE FORBEARANCE
[01:01:14] LETTERS. AND THE PURPOSE THE REASON
[01:01:17] FOR A FORBEARANCE LETTER PROVIDED
[01:01:20] OSBORNE ADDITIONAL DAYS TO COMPLETE THE
[01:01:24] MILESTONE AND PROVIDE THE PORT WITH
[01:01:27] DOCUMENTATION JUSTIFYING WHY THE

[01:01:30] MILESTONE WAS NOT MET. IF THE PORT DID
[01:01:34] NOT ACCEPT THE JUSTIFICATION, IT
[01:01:38] WAS ENTITLED TO ASSESS LIQUIDATED
[01:01:41] DAMAGES BACK TO THE DATE THAT THE
[01:01:43] MILESTONES WERE SUPPOSED TO BE FINISHED.
[01:01:46] IN TWO CASES THE MILESTONES WERE NOT
[01:01:50] COMPLETED EVEN BY THE FORBEARANCE
[01:01:53] LETTER DATE REQUIREMENT AND IN ALL FOUR
[01:01:56] CASES OSBOURNE DO NOT SUBMIT REQUIRED
[01:02:00] DOCUMENTATION FOR JUSTIFICATION.
[01:02:05] NEXT SLIDE PLEASE
[01:02:10] AS OF THE REPORT DATE, WE CALCULATED LIQUIDATED
[01:02:15] DAMAGES THAT COULD BE APPROXIMATELY
[01:02:17] 900,000 DOLLARS. HOWEVER
[01:02:21] THE CONSTRUCTION MANAGEMENT GROUP IS
[01:02:24] REVIEWING DOCUMENTATION THAT OSBOURNE
[01:02:26] HAS PROVIDED AFTER THE FACT AND
[01:02:31] IT IS LIKELY THAT THE CM GROUP WILL
[01:02:36] LIKELY EXCUSE QUITE A FEW OF THESE DAYS
[01:02:40] WITHIN EACH MILESTONE. AND SO THAT WILL
[01:02:44] PROBABLY DECREASE OR EVEN ELIMINATE ANY
[01:02:48] LIQUIDATED DAMAGES. OVERALL
[01:02:51] THE KEY POINT OF THIS ISSUE
[01:02:55] TO ME IS THE CONSIDERABLE AMOUNT
[01:02:59] OF TIME THAT HAS PASSED SINCE THE
[01:03:02] COMPLETION OF THESE CRITICAL MILESTONES.
[01:03:06] FOR EXAMPLE. MILESTONE ONE WAS
[01:03:10] FINISHED TWO YEARS AGO AND SO RELIANCE
[01:03:15] IS GOING TO BE PLACED PRIMARILY ON THE
[01:03:18] INFORMATION THAT'S PROVIDED BY OSBORNE.
[01:03:22] AND THERE'S A POTENTIAL THAT SOME OF THE
[01:03:25] DAYS THAT MAY BE EXCUSED NOW MIGHT
[01:03:29] NOT HAVE BEEN APPROVED DURING THE
[01:03:31] PROJECT. IN ADDITION, IF
[01:03:35] THE PORT ENFORCED THESE MILESTONE DATES
[01:03:39] OR EVEN THE REQUIREMENTS WHEN FORBEARANCE
[01:03:42] LETTER WAS ISSUED DURING THE
[01:03:44] PROJECT, THERE'S A POSSIBILITY THAT
[01:03:47] OSBORNE MAY HAVE BEEN MORE DILIGENT IN
[01:03:50] COMPLETING THE MILESTONES AND ULTIMATELY
[01:03:53] THE PROJECT SOONER. WHICH WOULD
[01:03:57] HAVE ALSO RESULTED IN LOWER SOFT
[01:04:02] COST TO THE PORT BECAUSE AS THE PROJECT
[01:04:04] GOES ON THE PORT CAST TO KEEP OUR
[01:04:08] STAFF YOU KNOW THEIR STAFF THEIR GROUP
[01:04:11] TO OVERSEE THE PROJECT.
[01:04:15] AND NEXT SLIDE.
[01:04:18] CAN WE GO DOWN TWO
[01:04:20] SLIDES PLEASE, ONE MORE.
[01:04:24] IN BOTH OF OUR FINDINGS, RECOMMENDATIONS,
[01:04:29] MANAGEMENT CONCURRED AND
[01:04:33] HAS STARTED TO REMEDY
[01:04:37] SOME OF THESE ISSUES. AND
[01:04:41] SO JANICE ZAHN, THE ASSISTANT DIRECTOR
[01:04:44] OF ENGINEERING IS AVAILABLE TO DISCUSS
[01:04:47] IN MORE DETAIL THEIR ACTION
[01:04:50] PLAN, AND I CAN HAND IT OVER AND
[01:04:54] AFTER ANY QUESTIONS FROM THE AUDIT
[01:04:58] COMMITTEE. MAYBE
[01:05:02] OKAY YEAH LET'S HEAR FROM JANICE FIRST
[01:05:06] AND THEN TAKE QUESTIONS. YES, THANK YOU. I
[01:05:10] WANT TO THANK GLENN SPENCER NIKITA FOR
[01:05:13] THEIR WORK ON THIS AUDIT. WE ALWAYS

[01:05:17] APPRECIATE WORKING IN PARTNERSHIP AND
[01:05:20] GETTING RECOMMENDATIONS FOR HOW WE CAN
[01:05:22] BE CONTINUOUSLY IMPROVING IN OUR
[01:05:26] PROCEDURES AND OUR WORK. AND IN THIS
[01:05:28] PARTICULAR CASE THIS WAS THE FIRST
[01:05:31] CONTRACT WITH THIS PARTICULAR CONTRACTOR
[01:05:33] TO THE PORT, AND I APPRECIATE THE FACT
[01:05:37] THAT AS YOU REACHED OUT TO THE
[01:05:38] CONTRACTOR TO RECEIVE ADDITIONAL
[01:05:42] INFORMATION THAT WE DON'T CUSTOMARILY
[01:05:45] REQUIRE FROM THE CONTRACTOR LIKE
[01:05:48] DISCREET INDIVIDUAL TIME CARDS, THAT YOU
[01:05:52] IDENTIFIED SOME AREAS WHERE THE
[01:05:54] CONTRACTORS RECORDS THAT THEY SUBMITTED
[01:05:57] TO US FOR REIMBURSEMENT WAS INCORRECT,
[01:06:00] AND RESULTED IN OVER BILLING THAT WE'RE
[01:06:04] LOOKING AT. AND IN ADDITION MAKING
[01:06:09] SURE THAT FOR THEIR WORKERS THAT THERE
[01:06:11] IS NO UNDERPAYING OF THEIR WAGES SO
[01:06:15] IF THERE WAS A CARPENTER THAT WORKED
[01:06:20] OVER TIME, THEN WE WANT TO MAKE SURE THAT
[01:06:23] THEY ARE PAYING THAT WORKER FOR THE
[01:06:24] OVERTIME AND THAT WE ARE REIMBURSING FOR
[01:06:28] THOSE COSTS. SO I APPRECIATE THE FACT
[01:06:31] THAT THROUGH THE ADDITIONAL INFORMATION
[01:06:34] THAT WAS REQUESTED FROM THE CONTRACTOR,
[01:06:36] THAT THIS WEAKNESS, OR AREA, CAME
[01:06:40] TO LIGHT. WE RELY ON THE CONTRACTOR
[01:06:44] TO TURN IN FACTUALLY CORRECT INFORMATION
[01:06:48] TO US FOR REIMBURSEMENT, AND
[01:06:52] IN THE CASES THAT YOU HIGHLIGHTED WE DO
[01:06:55] HAVE AN INSPECTOR THAT IS ON SITE DAILY,
[01:06:58] AND THAT'S THE PERSON IN OUR GROUP THAT
[01:07:01] SIGNS OFF ON WHAT THEY OBSERVE, OF NUMBER
[01:07:04] OF WORKERS AND HOURS ON SITE. AND
[01:07:08] THEN WHEN THE MONTHLY BILLINGS COME WE
[01:07:14] RELY ON THE CONTRACTOR OR HAVE TO
[01:07:18] MAKE SURE THAT THEY'RE NOT BILLING US
[01:07:20] FOR PEOPLE THAT ARE SALARIED WORKERS AND
[01:07:23] CHARGING US FOR OVER TIME. SO YOUR
[01:07:27] RECOMMENDATION ABOUT MAKING SURE THAT WE
[01:07:29] ARE RECEIVING ADDITIONAL INFORMATION FOR
[01:07:33] WHO ARE SALARIED WORKERS VERSUS HOURLY
[01:07:37] IS ONE OF THE PIECES THAT WE ARE
[01:07:40] UPDATING OUR FORCE ACCOUNT PROCEDURES TO
[01:07:42] MAKE SURE THAT WE RECEIVE THAT
[01:07:44] INFORMATION, SO THAT THE RECORDS THAT WE
[01:07:48] HAVE WE CAN VERIFY THAT WE DON'T HAVE
[01:07:50] THIS CASE IN THE FUTURE. SO THAT'S ONE OF
[01:07:53] THE PIECES, AND THE OTHER ONE,
[01:07:58] WELL, SO JUST TO CLOSE THIS PROJECT, WE
[01:08:01] ARE IN THE MIDDLE OF EVALUATING ALL OF
[01:08:04] THE COST INFORMATION AND MAKING SURE
[01:08:06] THAT WE ISSUE A DEDUCTIVE CHANGE ORDER
[01:08:09] FOR ANY OVER PAYMENTS THAT WE'VE MADE TO
[01:08:12] THIS PARTICULAR CONTRACTOR. AND IN
[01:08:15] ADDITION TO THAT, WE ARE MAKING
[01:08:18] SURE THAT IN OUR NEXT REGULAR MEETING
[01:08:22] WITH THE ASSOCIATION OF GENERAL
[01:08:24] CONTRACTORS AND THE BEST PRACTICE, THAT
[01:08:26] WE REINFORCE TO THEM THE IMPORTANCE OF
[01:08:29] TURNING IN FACTUALLY CORRECT INFORMATION.
[01:08:32] SO THE THE

[01:08:36] COST RELATED TO THE COVID SUPERVISOR
[01:08:39] THAT WAS ALSO INFORMATION THAT AUDIT
[01:08:44] WAS ABLE TO DRILL DOWN WITH THE
[01:08:49] PARKING RECEIPT TO IDENTIFY A
[01:08:52] POTENTIAL ISSUE OF AN INCORRECT BILLING
[01:08:57] TO THE PORT THAT WE DO NOT IN OUR NORMAL
[01:09:00] COURSE OF FORCE ACCOUNT VERIFICATION,
[01:09:03] DRILL DOWN TO THAT LEVEL OF GATHERING
[01:09:06] INFORMATION. SO THIS IS PART OF OUR
[01:09:09] UNDERSTANDING ABOUT WHERE SOME OF THESE
[01:09:11] RISK MIGHT BE FOR FUTURE REFINEMENT
[01:09:15] TO OUR FORCE ACCOUNT PROCEDURES. AND THEN
[01:09:18] RELATED TO THE SCHEDULE PIECE, I
[01:09:21] AGREE WITH YOUR RECOMMENDATION THAT IT
[01:09:23] IS ALWAYS BEST PRACTICE TO BE ABLE TO
[01:09:26] RECONCILE MILESTONES AS QUICKLY AS
[01:09:28] POSSIBLE. I WILL SAY THAT IT IS OUR
[01:09:32] PRACTICE THAT IF A MILESTONE IS NOT MET,
[01:09:35] THAT WE FORBEAR TO GIVE THE CONTRACTOR
[01:09:38] AND THE PORT AN OPPORTUNITY TO MAKE SURE
[01:09:41] WE'RE REALLY CLEAR ABOUT THE CAUSES OF
[01:09:43] THE DELAY, SO THAT WE DON'T COLLECT
[01:09:49] LIQUIDATED DAMAGES IF WE DO HAVE A
[01:09:53] ROLE IN THE DELAY. BECAUSE WHEN WE LOOK
[01:09:56] AT OUR SCHEDULE WE LOOK AT IT FROM THE
[01:09:58] STANDPOINT OF IS THAT TIME EXCUSABLE
[01:10:02] BECAUSE THE PORT PLAY A ROLE IN THE
[01:10:04] DELAY. IS IT CONCURRENT WHERE WE
[01:10:09] CAUSE SOMETHING THE CONTRACTOR ALSO
[01:10:11] CAUSE SOMETHING. IS IT SOLELY THE PORT
[01:10:14] RESPONSIBILITY IN WHICH CASE THE
[01:10:17] CONTRACTOR IS ENTITLED TO EXTENDED
[01:10:19] OVERHEAD FROM THE PORT, OR IS IT ONE THAT
[01:10:23] THE PORT OR THE CONTRACTOR IS SOLELY
[01:10:26] RESPONSIBLE AND WE COLLECT LIQUIDATED
[01:10:28] DAMAGES. SO THERE CAN BE COMPLEXITIES
[01:10:32] TO GET TO THE FINAL ANSWER ABOUT WHO
[01:10:35] OWES MONEY AND WHO IS THE ULTIMATE
[01:10:39] CAUSES OF DELAY. AND WITH THAT SAID I
[01:10:41] AGREE WITH YOU THAT WE NEED TO BE MOVING
[01:10:45] WITH URGENCY TO GET TO THE
[01:10:48] FINAL EVALUATION AND ANALYSIS OF THE
[01:10:52] SCHEDULE PIECE. SO WE WILL MAKE SURE THAT
[01:10:55] OUR STAFF IS AWARE IN OUR MANAGEMENT
[01:10:58] TEAM DOES A HIGHER LEVEL OF OVERSIGHT TO
[01:11:01] MAKE SURE THAT WE ARE WORKING THROUGH
[01:11:04] THESE PIECES IN A TIMELY WAY. AND IN
[01:11:06] ADDITION WITH THE ASSOCIATION OF
[01:11:10] GENERAL CONTRACTORS, ALSO REINFORCING
[01:11:12] WITH THEM THE IMPORTANCE OF TURNING IN
[01:11:15] TIMELY SUBMISSION FOR THEIR SCHEDULE
[01:11:16] DELAYS. BECAUSE ONE OF THE THINGS WE WANT
[01:11:19] TO DO IS MAKE SURE THAT THE
[01:11:22] RESPONSIBILITY FOR JUSTIFYING THE DELAY
[01:11:25] IS A CONTRACTOR RESPONSIBILITY, SO WE
[01:11:28] DON'T WANT TO DO THE WORK FOR THEM., WE
[01:11:30] WANT THEM TO TURN IN THEIR PAPERWORK TO
[01:11:34] EXPLAIN WHAT HAPPENED, INSTEAD OF US
[01:11:37] HAVING TO INCUR COST OURSELVES TO DO
[01:11:39] THAT ANALYSIS OURSELVES, INSTEAD OF
[01:11:42] HAVING THAT THAT PAPERWORK TURNED IN SO
[01:11:45] THAT WE CAN EVALUATE IT FOR
[01:11:46] JUSTIFICATION. SO, THANK YOU. THANK

[01:11:52] YOU JANICE FOR THAT. I THINK WE'VE GOT A
[01:11:54] FEW QUESTIONS CLERK HART, COULD
[01:11:58] YOU, EVERYBODY PLEASE UNMUTED YOURSELF,
[01:12:00] COMMITTEE MEMBERS AND CLERK HART WOULD
[01:12:02] YOU CALL THE ROLL. BEGINNING WITH
[01:12:04] COMMISSIONER CHO. I
[01:12:08] DON'T HAVE ANY QUESTIONS. I GUESS THIS IS
[01:12:11] WHY WE DO AUDITS SO I APPRECIATE ALL THE
[01:12:14] RECOMMENDATIONS AND LOOK FORWARD TO
[01:12:17] SEEING THE CHANGES. THANK YOU.
[01:12:19] COMMISSIONER MEMBER GIRKY. I HAVE NO
[01:12:22] FURTHER QUESTIONS THANK YOU. THANK YOU
[01:12:25] COMMISSIONER BOWMAN. OKAY I GUESS I'M THE
[01:12:27] ONLY ONE WITH THE QUESTION AND ACTUALLY I JUST
[01:12:29] WANTED TO START, IT'S MORE OF A POINT AND
[01:12:31] JANICE, YOU ACTUALLY STARTED TO COVER IT.
[01:12:33] THANK YOU SO MUCH FOR THIS, AND I JUST
[01:12:35] WANTED TO SAY THAT I WOULDN'T EVER
[01:12:38] REALLY EXPECT OUR TEAM TO EVER BE
[01:12:41] DOING SOMETHING LIKE LOOKING AT TIME
[01:12:44] CARDS FOR CONTRACTORS, OR PARKING
[01:12:48] VALIDATION TO SEE HOW LONG YOU WERE
[01:12:50] REALLY ON THE JOB SITE, SO I DON'T HAVE
[01:12:53] ANY ISSUES WITH. THAT I REALLY APPRECIATE
[01:12:55] THE POINT THAT YOU WERE MAKING ABOUT
[01:12:57] TALKING TO THE AGC. AND I THINK THAT THIS
[01:13:00] PERHAPS COULD BE I HOPE THAT WE CAN GET
[01:13:03] THE WORD OUT SO NOT JUST THE AC BUT THE
[01:13:05] GENERAL CONTRACTING COMMUNITY THAT THESE
[01:13:09] SORTS OF AUDITS WILL BE DONE. AND NOT
[01:13:12] WITH REGULARITY BUT SPROUTED ALL MEANING
[01:13:15] THAT WE VERY MUCH EXPECT THAT ALL
[01:13:18] COMPANIES ARE ABIDING BY ALL THE
[01:13:21] RULES AND PROVIDING ACCURATE INFORMATION.
[01:13:23] SO I DON'T HAVE ANY ISSUES WITH YOUR
[01:13:27] STAFF FOR THE WAY THINGS WERE HANDLED,
[01:13:29] BUT I DO THINK THAT WE REALLY SHOULD USE
[01:13:31] THIS AS A CASE IN POINT TO MAKE SURE
[01:13:34] THAT FOLKS REALLY KNOW THAT THERE ARE
[01:13:37] TIMES AND WE'RE REALLY GOING TO LOOK
[01:13:39] INTO THIS. SO THESE ARE PUBLIC FUNDS AT
[01:13:42] THE END OF THE DAY, AND IT'S CRITICALLY
[01:13:43] IMPORTANT THAT WE WE CAN GUARANTEE TO
[01:13:45] THE PUBLIC THAT THEIR MONEY IS WELL
[01:13:47] SPENT. AN OCCASIONAL OVERTIME BY A
[01:13:51] COUPLE OF HOURS IS ONE THING BUT
[01:13:53] SOMETHING WHERE IT COULD APPEAR MORE
[01:13:55] SYSTEMIC IS CERTAINLY A MUCH BIGGER
[01:13:58] ISSUE. SO THANK YOU FOR WHAT YOU'VE DONE
[01:14:00] TO HELP MOVE THIS ALONG AND TALK TO
[01:14:04] THE AGC TO BEGIN WITH AND AGAIN I
[01:14:06] HOPE WE CAN REALLY USE THIS GIVE THIS
[01:14:08] INFORMATION OUT MORE WIDELY. THAT WE ARE
[01:14:11] GLENN AND HIS TEAM WILL TAKE A LOOK AT
[01:14:13] IT. SO GOOD JOB JANICE, THANK YOU. YEAH
[01:14:17] THANK YOU JUST TO CLARIFY WE HAVE ALSO
[01:14:20] TOLD OUR CURRENT CONTRACTORS ALL OF THEM
[01:14:23] THE IMPORTANCE OF ACCURATE INFORMATION.
[01:14:25] SO I WANTED TO CLARIFY THAT IT WAS BOTH
[01:14:28] AGC AS WELL AS ALL OF THE THE
[01:14:31] CONTRACTORS THAT CURRENTLY HAVE A
[01:14:32] CONTRACT WITH US. EXCELLENT, THANK YOU.
[01:14:37] ALRIGHT MOVING ON TO STILA.

[01:14:40] GLENN, THE NEXT ITEM.
[01:14:46] SO STILA, LAST ELEMENT
[01:14:50] WE'LL DISCUSS IN PUBLIC SESSION.
[01:14:52] ESSENTIALLY STILA HAS BEEN WITH US FOR A
[01:14:54] LONG TIME COMMISSIONERS, SINCE MARCH
[01:14:56] 2011. AND THE PANDEMIC HAS
[01:15:00] BEEN HARD ON THEM AS WITH EVERYONE ELSE.
[01:15:06] THEY BENEFITED FROM SOME OF THE THINGS
[01:15:08] THAT THE PORT DID AND DEFERRAL REVENUES
[01:15:11] THROUGH THE PANDEMIC BUT NONETHELESS
[01:15:14] IT'S MATERIALLY AFFECTED THEM AND THEIR
[01:15:17] OPEATIONS. BY
[01:15:21] IN OCTOBER OF THIS YEAR THEY THAT PRETTY
[01:15:24] MUCH ABANDONED EVERYTHING AND STARTED TO
[01:15:26] CEASE OPERATIONS, AND THE CONTRACT
[01:15:30] EXPIRED. WELL THEY NOTIFIED US THAT AS
[01:15:32] OF 7 2020 THEY ARE DONE. AND
[01:15:37] THEN WE DO NOW THAT THEY'RE IN CHAPTER
[01:15:39] SEVEN BANKRUPTCY. IF YOU LOOK AT THE MAG
[01:15:43] AND THE TRIP COUNT, IS IMPORTANT TO POINT
[01:15:46] OUT THAT THEIR MAG IS ABOUT
[01:15:49] 732,000 DOLLARS A YEAR AND THE ADDITIONAL
[01:15:52] TRIP FEES THAT YOU SEE THERE. ANYTIME
[01:15:54] THEY GO OVER 38,000 TRIPS, THEY HAVE TO
[01:15:57] PAY US FOUR DOLLARS PER TRIP. SO
[01:16:03] IT CAN BE SIGHTFUL, BUT AS I'LL SHOW YOU
[01:16:06] THE NEXT ISSUE, ON THE ISSUE, IS HOW DO
[01:16:09] YOU KNOW THAT HOW MANY TRIPS THEY
[01:16:12] HAVE. YOU A SELF REPORTED AND THAT'S
[01:16:15] WHERE WE HAVE SOME RISKS. SO NEXT SLIDE
[01:16:17] PLEASE. MICHELLE? SO ONE
[01:16:21] OF THE THINGS WE DO IN AUDIT IS WE
[01:16:25] LOOK AT ALL THE SOURCES OF INFORMATION
[01:16:27] THAT WE HAVE. WE LOOK AT THE {INDISCERNABLE}
[01:16:29] GO TO STILA, SAY OKAY NOW SHOW US
[01:16:31] YOUR RECORDS. SHOW US HOW MANY TRIPS YOU
[01:16:33] HAVE. AND THEN WE'LL LOOK AT THE PORT
[01:16:35] SYSTEMS AS WELL. STILA WAS WHEN
[01:16:39] WE STARTED THIS AUDIT THEY WERE IN THE
[01:16:41] PROCESS OF SHUTTING DOWN, AND THEY REALLY
[01:16:44] DIDN'T HAVE A LOT OF BUSINESS. THE
[01:16:48] PRESIDENT OF STILA TOLD US HE
[01:16:51] HAS NO RECORDS AND HE
[01:16:55] SAID I WOULDN'T EVEN KNOW WHERE TO GET
[01:16:57] THEM FROM. THE CONTRACT REQUIRES
[01:17:00] THEM TO MAINTAIN DOCUMENTATION RECORDS.
[01:17:03] SO THEY HAD NONE AND SO THEY WEREN'T
[01:17:05] ABLE TO PROVIDE US WITH ANYTHING THAT
[01:17:06] SHOWED US HOW MANY TRIPS THEY HAD. AND
[01:17:10] ABOUT THAT 38,000 THRESHOLD. NOW WHEN
[01:17:14] THEY GO OVER 38,000 TRIPS, THEY HAVE TWO
[01:17:18] NON REVENUE TRIPS THEY, HAVE THEY
[01:17:23] THEYREL CALLED CALL-IN LIMOS, OR WHEN
[01:17:27] THEY CALL IN A CUSTOMER
[01:17:31] CALLS IN FOR A SPECIFIC TYPE OF TRIP, AND
[01:17:34] THEN THEY HAVE REGULAR LIMO TRIPS
[01:17:37] OR SOMETHING GOES UP. NOW ON THE REGULAR
[01:17:42] LIMO TRIPS WHERE THEY PAY US THE FOUR
[01:17:45] DOLLARS PER MONTH, ACTUALLY FOR ALL OF
[01:17:48] THEIR TRIPS IT'S AN AVI SYSTEM THAT
[01:17:50] TRACKS EVERY SINGLE TRIP AND THAT'S OUR
[01:17:52] INTERNAL SYSTEM. SO OUR INTERNAL SYSTEM
[01:17:56] BECAUSE OF THE WEIGHT SETUP, ISN'T ABLE

[01:17:59] TO DIFFERENTIATE BETWEEN THE NON REVENUE
[01:18:01] TRIPS AND THE REVENUE TRIPS. SO WE
[01:18:04] CLEARLY HAVE AN OPPORTUNITY THERE TO
[01:18:06] BUILD OUR IN-HOUSE SYSTEMS TO ENHANCE
[01:18:08] THEM SO WE CAN ACTUALLY TRACK THOSE AND
[01:18:10] HAVE ONE SOURCE OF INFORMATION WE CAN
[01:18:13] USE ACCURATELY TO VERIFY THE THREATS TO
[01:18:16] THE STILA, OR ANY VENDOR IN THIS
[01:18:19] CASE SHOULD HAVE RECORDS SO WE CAN TIE THOSE
[01:18:22] THAT MAKE SURE THAT WHAT THEY'RE PAYING
[01:18:24] US IS TRULY WHAT THEY OWE US. SO IN THIS
[01:18:26] CASE, STILA DIDN'T HAVE THE RECORDS, AND OUR
[01:18:30] SYSTEMS DON'T BREAK OUT THE DETAIL
[01:18:33] BETWEEN THEIR REVENUE TRIPS AND THE
[01:18:38] NON REVENUE TRIP. YEAH
[01:18:42] WE HAVE AN ISSUE THERE. AND WELL IF WE
[01:18:44] CAN'T COMMISSIONERS, COLLECT MONEY IN
[01:18:46] THIS BECAUSE AS PRETTY MUCH DONE WITH.
[01:18:50] YEAH, IT'S LEARNING THAT WE CAN APPLY TO
[01:18:53] THE FUTURE. NEXT SLIDE PLEASE MICHELLE. SO
[01:19:00] I THINK WHAT WE'RE SUGGESTING HERE ON
[01:19:03] THE FIRST ISSUES WHILST THIS IS DONE. IN
[01:19:09] THE FUTURE THERE'S MAYBE ON THE AVI
[01:19:13] SYSTEM, WE NEED TO FIGURE OUT SUPPORT. HOW
[01:19:16] WE CAN ENHANCE THE AVI SYSTEM, AND RECONCILE
[01:19:19] IT, SO THAT WHEN WE HAVE
[01:19:21] SITUATIONS LIKE THIS WITH PREARRANGED
[01:19:23] LIMITS THAT AREN'T BILLED FOUR DOLLAR
[01:19:25] CHARGE, BUT THE REGULAR LIMO FEES ARE
[01:19:28] BILLED FOUR DOLLARS. WHEN YOU EXCEED THAT
[01:19:31] 38,000, HOW CAN WE DIFFERENTIATE THAT IN-
[01:19:34] HOUSE, PERHAPS MULTIPLE AVI CARDS
[01:19:38] OR RETUNING THE AVI SYSTEM OR DO
[01:19:40] SOMETHING THERE. BECAUSE THE HONOR SYSTEM
[01:19:43] WHERE THEY JUST PAY US AND BECOMES HARD
[01:19:46] TO MANAGE, AND WHEN THEY GO FILE
[01:19:49] BANKRUPTCY AS THEY DID IN THIS CASE, AND
[01:19:51] DON'T HAVE RECORDS, IT BECOMES EVEN
[01:19:54] HARDER TO PROVE OUT. NOW IN A NORMAL YEAR
[01:19:57] WE WANT TO BE ABLE TO CLEARLY RECONCILE
[01:20:01] ALL OF THIS. SO THAT'S THE FIRST ISSUE
[01:20:04] THAT WE HAVE IS, BASICALLY IN A NUT SHALL
[01:20:07] NOT, STILA NOT HAVING THE RECORDS AND
[01:20:10] SELF REPORTING WHAT THEY OWE US TO US.
[01:20:12] THE NEXT ISSUE, NEXT SLIDE PLEASE.
[01:20:16] MICHELLE? ONE MORE SLIDE. WAS
[01:20:24] DO BECAUSE STILA FILED FOR, BANKRUPTCY THEY
[01:20:29] OWE US FEES FOR
[01:20:33] SEVERAL MONTHS. AND FOR
[01:20:37] THOSE FEES THAT THEY OWE US, THEY'RE
[01:20:41] UNABLE TO PAY, BUT WE HAVE SOMETHING
[01:20:43] CALLED SURETY ON HAND, AND WE CAN MAKE
[01:20:46] OURSELVES HOLD THROUGH THAT SURETY. SO
[01:20:48] IT'S JUST A RECOMMENDATION TO THE PORT
[01:20:51] THAT WE CAN BE KEPT HOLD OF THE SURETY,
[01:20:54] BUT WE NEED TO GO THROUGH LEGAL MEANS
[01:20:57] WORK WITH LEGAL AND COLLECT THAT SURETY.
[01:21:01] THERE'LL BE A DIFFERENCE THAT WILL BE
[01:21:03] REFUNDED TO STILA BECAUSE THEY HAVE MORE
[01:21:05] SURETY ON HAND THAN IS OWED
[01:21:11] TO US. AND COMMISSIONERS AND MS. GIRKY, ALSO
[01:21:14] ONE LAST THING I WANT TO POINT OUT IS
[01:21:16] THAT YOU KNOW THE SURETY IN HAND TURNS

[01:21:19] OUT TO BE ENOUGH BECAUSE OF THE
[01:21:22] ENVIRONMENT THAT WE'RE OPERATING UNDER.
[01:21:23] BUT THE RCW REQUIRES A
[01:21:28] YEAR REVENUE SURETY YEARS RENT.
[01:21:32] A COMMISSION CAN WAIVE THAT BUT THE
[01:21:33] COMMISSION DID WITH WHICH THE COMMISSION
[01:21:35] DID WITH R82 AND THE SURETY WAS
[01:21:38] REDUCED SIX MONTHS PER R82 OR
[01:21:40] COMMISSION POLICY. THE POLICY TO THE FOR
[01:21:43] POLICY IMPROVEMENT COMMISSION. AND THEN
[01:21:46] THE REQUIRED SURETY FOR THE CONTRACT IS
[01:21:49] EVEN LOWER THAN THE PORT POLICY, SO
[01:21:53] IT'S SOMETHING THAT WE DIRECTIONALLY
[01:21:55] NEED TO CHANGE THE PORT EITHER A MANDARI
[01:21:59] OR INCREASE THE SURETY, AND
[01:22:02] I THINK THAT'S ALREADY IN THE WORKS. BUT
[01:22:03] I JUST WANT TO POINT THAT OUT THAT WE'RE
[01:22:06] UNDER BASICALLY WE HAVE ENOUGH SURETY ON
[01:22:10] HAND AND MORE SURETY THAN IS REQUIRED
[01:22:14] BECAUSE OF PANDEMIC AND BECAUSE OF LOW
[01:22:16] VOLUMES. WE COULD BE AT RISK
[01:22:19] IF VOLUMES WERE HIGHER. IN THIS
[01:22:23] CASE ALL WE'RE RECOMMENDING IS THAT WE
[01:22:25] COLLECT WHATS DUE TO US.NEXT SLIDE PLEASE.
[01:22:29] OUR RECOMMENDATIONS PRETTY
[01:22:31] STRAIGHTFORWARD. AND I'M GOING TO TURN IT
[01:22:34] OVER TO JEFF HOVETT, AND MICHELLE IF YOU
[01:22:36] COULD GO TO THE NEXT SLIDE. JEFF IF
[01:22:37] YOU'RE ON THE LINE IF YOU CAN UNMUTE
[01:22:40] AND TALK ABOUT YOUR ACTUAL PLATFORM. YEAH
[01:22:42] THANK YOU GLENN, GOOD AFTERNOON
[01:22:43] COMMISSIONERS AND MEMBER GERKY. JEFF HOVETT
[01:22:46] SENIOR MANAGER OF PORT LAND SIDE
[01:22:47] OPERATIONS. JUST WANTED TO REFLECT THAT
[01:22:50] WE APPRECIATED THE AUDITORS SUPPORT WITH
[01:22:52] THIS AUDIT AS THEY REVIEWED STILA'S
[01:22:55] OPERATION AND WHAT REMAINED OF THEIR
[01:22:57] BUSINESS WHEN THEY STARTED. STILA, WE WERE
[01:23:00] FORTUNATE TO HAVE STILA UNDER A
[01:23:02] CONCESSION AGREEMENT AT THE AIRPORT FOR
[01:23:04] A LITTLE MORE THAN 10 YEARS. AND THEIR
[01:23:07] AGREEMENT FOR THE CONCESSION WAS FOR ON
[01:23:09] DEMAND LIMOUSINES SO WHEN GLENN TALKS
[01:23:11] ABOUT THIS DISTINCTION BETWEEN THE ON
[01:23:13] DEMAND LIMOUSINE PRODUCT AND THEN WHAT
[01:23:15] THEY WOULD CALL PREARRANGED STILA WOULD
[01:23:17] BE ELIGIBLE FOR BOTH OF THOSE. WITH THE
[01:23:19] ON DEMAND PRODUCT THEY WOULD BE IN THE
[01:23:23] GARAGE ON THE THIRD FLOOR SO A CUSTOMER
[01:23:24] COULD WALK UP AND IN A VERY SHORT PERIOD
[01:23:26] OF TIME GET A LIMOUSINE RIDE OR TOWN CAR
[01:23:28] RIDE FROM THE AIRPORT. AND IN THEIR
[01:23:31] PREARRANGED BUSINESS THEY WOULD HAVE
[01:23:32] PURCHASED PERMITS FROM THE PORT, THEY'VE
[01:23:35] BEEN ABLE TO ACCESS THE AIRPORT FOR
[01:23:37] PREARRANGED RIDES AND ANOTHER BUSINESS.
[01:23:39] NOT UNUSUAL AND UNCOMMON WITH OUR
[01:23:41] AIRPORT OR ANY OTHER AIRPORT AROUND THE
[01:23:43] COUNTRY. SO IN REVIEWING THE
[01:23:47] RECOMMENDATIONS FROM THE AUDITORS WE
[01:23:49] COMPLETELY AGREE THERE'S AVI OR
[01:23:52] AUTOMATED VEHICLE IDENTIFICATION SYSTEM
[01:23:54] IS A REALLY GOOD PROGRAM

[01:23:58] THAT IS WIDELY USED IN AIRPORTS AROUND
[01:24:00] NORTH AMERICA. AND RECORDS VEHICLE
[01:24:04] ACTIVITY SO VEHICLE ACTIVITY ON THE
[01:24:05] DRIVES WHICH WOULD ALSO. GLENN
[01:24:08] RECOMMENDED, WOULD ALSO PICK UP ACTIVITY
[01:24:10] FOR THEIR PRE ARRANGED RIDES SO OUR
[01:24:13] TEAM AND GROUND TRANSPORTATION WOULD
[01:24:16] TRADITIONALLY REVIEW ACTIVITY THAT STILA
[01:24:18] WOULD GIVE US FOR SELF REPORTED. LOOK FOR
[01:24:20] ANOMALIES, AND FINDING A FEW WE VISIT
[01:24:23] WITH THEM AND THEN MOVE ON FROM THEM
[01:24:25] COLLECT REVENUES FROM THEM. AS GLEN
[01:24:27] INDICATED, UNFORTUNATELY THEY ARE NO
[01:24:29] LONGER IN BUSINESS. SO WE'LL TAKE THE
[01:24:31] RECOMMENDATION TO REFINE OUR PROCESS FOR
[01:24:36] VEHICLE ACTIVITY AND RECONCILIATION. IF
[01:24:40] WE DO DECIDE TO HAVE ANOTHER CONCESSION
[01:24:43] FOR LIMOUSINE PROGRAMS AT THE AIRPORT.
[01:24:46] FRANKLY SEATAC WAS ONE OF THE FEW
[01:24:48] AIRPORTS LEFT THAT DID HAVE AN ON DEMAND
[01:24:50] LIMOUSINE PRODUCT. MOST AIRPORTS HAVE
[01:24:53] GONE AWAY FROM THAT THROUGHOUT THE YEARS
[01:24:55] JUST BECAUSE OF LACK OF INTEREST AND
[01:24:57] COMPETITION FROM OTHER MODES OF
[01:24:58] TRANSPORTATION. THANK YOU GLENN.
[01:25:03] COMMISSIONER AND ON THE SECOND ISSUE
[01:25:06] JEFF, ON THE SURETY, ESSENTIALLY YOU GUYS
[01:25:09] ARE GOING TO BE COLLECTING THAT SO
[01:25:11] NOTHING. YEAH, AND ON THAT THANK YOU GLENN
[01:25:14] FOR THE PROMPT AS MUCH AS WE CAN LEGALLY
[01:25:17] PURSUE, OUR LEGAL INVOLVED WITH THAT AND
[01:25:20] AS A PRODUCT OF THE BANKRUPTCY WE'LL DO
[01:25:22] WHAT WE CAN TO COLLECT THROUGH THE
[01:25:24] SURETY THAT WE HAVE IN PLACE. COMMISSIONERS, ITS
[01:25:27] ALL YOUR QUESTIONS. EXCELLENT, IF
[01:25:31] COMMUNITY MEMBERS COULD INMUTED
[01:25:33] THEMSELVES. AND CLERK HART PLEASE CALL THE
[01:25:35] ROLL FOR QUESTIONS. THANK YOU, BEGINNING
[01:25:38] WITH COMMISSIONER CHO. NO QUESTIONS
[01:25:42] AT THE TIME THANKS. THANK YOU
[01:25:44] COMMISSIONER. MEMBER GIRKY. NO QUESTIONS THANK
[01:25:47] YOU. THANK YOU. COMMISSIONER BOWMAN.
[01:25:49] ALRIGHT I GUESS I'M THE BAD GUY TODAY. SO
[01:25:53] I HAVE A COUPLE OF QUESTIONS AND JEFF
[01:25:56] MAYBE YOU CAN HELP ME WHAT I WAS HOPING
[01:25:57] THAT WE COULD FOCUS ON IN THE MANAGEMENT
[01:26:00] RESPONSE, WAS PERHAPS YOU COULD TALK IN A
[01:26:03] LITTLE BIT MORE DETAIL ABOUT THE RECORD
[01:26:05] KEEPING. WAS THAT A REQUIREMENT OF THE
[01:26:08] LEASE? THE CONCESSION AGREEMENT? YEAH
[01:26:11] REQUIREMENT OF THE CONCESSION AGREEMENT SO,
[01:26:13] THEY WOULD REMIT ACTIVITY TO US MONTHLY.
[01:26:16] AND WE WOULD REVIEW THAT AGAINST THEIR
[01:26:20] AVI ACTIVITIES. OUR GROUND TRANSFER
[01:26:22] TEAM TRANSPORTATION TEAM TO LOOK AT AVI
[01:26:24] ACTIVITY. AND THIS IS WHERE THE AUDITORS
[01:26:27] RIGHTFULLY, SO INDICATED THAT THERE ARE
[01:26:30] SOME GAPS IN AVI AND THAT THE TRIPS MAY
[01:26:34] BE OVER REPORTED PERHAPS BECAUSE THEY
[01:26:36] MAY SHOW ACTIVITY BECAUSE THE SAME
[01:26:38] VEHICLES ARE USED IN ANOTHER PRODUCT. BUT
[01:26:40] THIS VENDOR THERE WAS A PRODUCT FOR ON
[01:26:42] DEMAND AND A PRODUCT FOR PREARRANGE EACH

[01:26:44] OF WHICH WOULD RECORD A TRIP. AND IF WE LOOK
[01:26:48] AT THE ACTIVITY THAT WE HAD MOST
[01:26:49] RECENTLY, STILA DID NOT REACH A
[01:26:52] THRESHOLD OF THEIR 38,000 TO EXCEED THE
[01:26:56] MAG, BUT THEY HAD VERY FEW TRIPS. JUST
[01:26:59] OVER A THOUSAND TRIPS FOR ON DEMAND
[01:27:01] ACTIVITY WITH MORE TRIPS THOUGH FOR PRE
[01:27:05] ARRANGED DIFFERENT PROGRAMS DIFFERENT
[01:27:06] PROCESSES FOR THEM. OKAY MY QUESTION WAS
[01:27:09] ACTUALLY THOUGH ABOUT THE RECORD KEEPING
[01:27:11] WAS THAT PART OF THE CONCESSION
[01:27:13] AGREEMENT? IT WAS. OKAY
[01:27:16] AND SO WHEN GLENN INTRODUCED THIS ITEM
[01:27:18] AND HE SAID THAT WHEN HE WAS PERFORMING
[01:27:21] THE AUDIT AND TALK TO STILA, AND THEY
[01:27:23] SAID WE DON'T HAVE ANY RECORDS I GUESS
[01:27:26] I'M TRYING TO DRILL DOWN ON THAT. SURE
[01:27:29] THAT WOULD BE PART OF WHAT THE AUDIT
[01:27:31] WOULD REVEAL IF THEY NEED TO PRESENT THOSE
[01:27:33] RECORDS. THEY'RE REQUIRED TO REPORT
[01:27:35] ACTIVITY TO THE PORT AND THEN MAKE
[01:27:38] THEMSELVES AVAILABLE FOR AUDIT WITH
[01:27:40] OTHER RECORDS. RIGHT AND SO I'M
[01:27:44] TRYING TO GET TO THE POINT OF IT WAS
[01:27:47] PART OF THE LEASE AGREEMENT CONCESSION
[01:27:49] AGREEMENT THAT THEY HAD TO KEEP RECORDS,
[01:27:51] THEY ADMITTED THAT THEY HADN'T HADN'T
[01:27:53] BEEN KEEPING RECORDS, AND SO I'M CURIOUS
[01:27:56] AS TO FROM A MANAGEMENT RESPONSE, WHAT
[01:28:00] ASSURANCES DO WE HAVE MOVING FORWARD,
[01:28:02] WHAT IS THE PLAN FOR MAKING SURE THAT
[01:28:04] THOSE CONCESSION AGREEMENTS THAT WE HAVE
[01:28:06] THAT REQUIRE RECORD KEEPING BY THE
[01:28:09] CONCESSION AREA THAT WE ARE ACTUALLY
[01:28:12] CHECKING TO MAKE SURE THAT THEY HAVE
[01:28:13] THOSE RECORDS. SURE AND THE
[01:28:16] REASON I'M SURE YOU REALIZE THAT I'M
[01:28:18] BRINGING THIS UP, OUR COMMITTEE
[01:28:22] MEMBER GERKY WOULD REMEMBER AN ISSUE
[01:28:24] WITH YELLOW CAB, FROM ABOUT SEVEN YEARS
[01:28:27] AGO WHEN I FIRST JOINED THE COMMISSION
[01:28:29] OBVIOUSLY COMMISSIONER CHO WAS NOT THERE
[01:28:31] AT THE TIME BUT, VERY VERY SIMILAR ISSUE.
[01:28:34] AND SO I GUESS THAT'S MY GREATER CONCERN
[01:28:37] IS THAT WE HAVE CONCESSION AGREEMENTS
[01:28:39] AND THEY HAVE REQUIREMENTS AND MY
[01:28:42] UNDERSTANDING IS THAT GROUND
[01:28:44] TRANSPORTATION IS DOING THEIR OWN
[01:28:46] INTERNAL CHECKING OF THAT. AND IF THAT'S
[01:28:49] NOT HAPPENING WHAT CAN WE DO TO RESOLVE
[01:28:51] THAT. SURE AND THANK YOU FOR REFRAMING
[01:28:54] THE QUESTION. SO I THINK THAT WE KNOW
[01:28:56] ENOUGH NOW, LESSONS LEARNED WITH YELLOW AND
[01:28:59] THEN AS WE LEARN TO BE MORE DILIGENT
[01:29:00] WHAT WE CAN DO AUDITING EFFECTIVELY AN
[01:29:03] INTERNAL AUDIT WITHOUT THE BENEFIT OF
[01:29:05] GLENN AND HIS TEAM, RELATED TO CONTRACT
[01:29:08] COMPLIANCE WE WOULD BE MORE DILIGENT
[01:29:11] BETWEEN MY GROUP AND OPERATIONS AND
[01:29:13] OTHERS THAT COULD LOOK AT THESE
[01:29:14] AGREEMENTS. IN ESSENCE FOR STILA
[01:29:18] THEY NEEDED TO HAVE THOSE DOCUMENTS
[01:29:21] AVAILABLE. THERE WAS A REQUIREMENT FOR US

[01:29:23] TO REVIEW THEM BECAUSE WE WERE GETTING
[01:29:25] THE MONTHLY REPORTS FROM THEM FOR TRIP
[01:29:26] ACTIVITY BUT I THINK YOU'RE ABSOLUTELY
[01:29:28] RIGHT COMMISSIONER, THAT WE WANT TO BE
[01:29:31] MORE DILIGENT TO KNOW THAT THOSE
[01:29:32] DOCUMENTS THAT THEY'RE REQUIRED TO HAVE
[01:29:34] ARE AVAILABLE. AT LEAST ON A MONTHLY
[01:29:36] BASIS SOME HAVE SUGGESTED EVEN DAILY TO
[01:29:38] KNOW WHAT TRIP ACTIVITY THAT THEY'RE
[01:29:40] PERFORMING. RIGHT AND SO I THINK IT'S
[01:29:43] SIMILAR TO THE ISSUE THAT WE JUST
[01:29:46] DISCUSSED WITH JANICE OGG. THE FACT THAT
[01:29:50] WE DON'T WANT TO GET TO A POINT OF
[01:29:52] HAVING TO DO AN INTERNAL AUDIT AND THEN
[01:29:54] DISCOVERING AFTER THE FACT THAT RECORDS
[01:29:57] WEREN'T KEPT, AND THAT WE WEREN'T AWARE
[01:30:00] OF THAT. SO I GUESS WHAT I WOULD BE
[01:30:03] LOOKING FOR I'VE ALREADY TALKED TO
[01:30:04] EXECUTIVE DIRECT METRUCK ABOUT THIS. A REAL
[01:30:08] PLAN FOR HOW WE'RE GOING TO RESOLVE THIS,
[01:30:10] SO THAT WE CAN HAVE CONFIDENCE ON THE
[01:30:12] COMMISSION THAT WE WON'T HAVE THIS
[01:30:14] PROBLEM AGAIN AND THE ONLY REASON WHY
[01:30:17] I'M FEELING SUCH ANXIETY ABOUT IT IS IF
[01:30:20] IN GROUND TRANSPORTATION WE HAD A VERY
[01:30:23] BIG ISSUE WITH YELLOW CAB AND THIS SEEMS
[01:30:26] TO BE VERY SIMILAR TO WHAT HAPPENED WITH
[01:30:28] THEM. AND SO WITHIN FIVE OR 6 YEARS WE'VE
[01:30:31] HAD THE SAME ISSUE WITH THE AVI AND NOT
[01:30:34] BEING ABLE TO RECORD. NUMBER ONE, ALLOWING
[01:30:37] THIS SELF REPORTING THAT SEEMS LIKE, I
[01:30:40] WOULD ASK THE TEAM TO THINK ABOUT HOW WE
[01:30:43] MOVE TO A DIFFERENT SYSTEM THAT'S MORE
[01:30:45] RELIABLE, AND IF WE HAVE PROBLEMS WITH
[01:30:48] THE AVI SYSTEM TO IDENTIFY WHAT TO BE
[01:30:51] DONE TO CORRECT THOSE. SO I HOPE THAT WE
[01:30:53] CAN COME UP WITH A REAL MANAGEMENT, A
[01:30:57] MORE PROACTIVE AND TIMELY MANAGEMENT
[01:30:59] RESPONSE THAT CAN GIVE SOME ASSURANCES
[01:31:01] TO THE PUBLIC THAT WE'RE GOING TO BE
[01:31:03] CHANGING, RATHER IN ADDITION TO WE'LL DO
[01:31:06] BETTER THE NEXT TIME. I REALLY APPRECIATE
[01:31:08] THAT VERY MUCH, BUT I DO THINK THIS IS A
[01:31:11] BIG RISK FOR US. THIS IS THE SECOND TIME
[01:31:13] THAT THIS HAS HAPPENED. AND SO I THINK WE
[01:31:16] JUST NEED MORE ASSURANCES ABOUT HOW
[01:31:18] WE'LL REMEDY IT. THANK YOU COMMISSIONER.
[01:31:22] THANK YOU. ALRIGHT
[01:31:26] I GUESS IF WE HAVE NO OTHER QUESTIONS
[01:31:29] GLENN ANYTHING ELSE TO BRING UP? THAT IS
[01:31:32] IT FOR AUDITS TODAY WE'VE GOT A NON
[01:31:34] PUBLIC SESSION COMING UP. SO APPENDIX
[01:31:38] A IS JUST LISTING OF ALL THE OUTSTANDING
[01:31:41] ISSUES. NOTHING FOR THE PUBLIC TO KNOW
[01:31:44] BUT THERE'S NOTHING LEFT FOR THIS PUBLIC
[01:31:46] SESSION. OKAY THANK YOU VERY MUCH. ALRIGHT
[01:31:51] WITH THAT I'M GOING TO GO DOWN TO MY
[01:31:53] SCRIPTURE. I BELIEVE THAT WE ARE GOING TO
[01:31:55] I THINK WE CAN TAKE A SHORT BREAK
[01:31:57] MICHELLE WOULD THAT BE ALL RIGHT AND
[01:31:59] WE'RE GOING TO GO INTO THE NON PUBLIC
[01:32:00] SESSION AT 4:30 YES WE CAN
[01:32:04] TAKE A BREAK FOR CERTAIN IF THE

[01:32:06] COMMITTEE JUST WANTS TO HOLD OFF UNTIL 4
[01:32:08] 30 YOU CAN ALSO START EARLIER IF YOU
[01:32:11] LIKE BUT I'M HEARING MAYBE WE'LL START
[01:32:12] AT 4:30. AS WELL I JUST NEED YOU TO NOTE
[01:32:16] COMMISSIONER THAT WE ARE RECESSING INTO
[01:32:18] THE NON PUBLIC PART AND THAT YOU WILL
[01:32:22] ADJOURN THEN WHEN THAT NON PUBLIC
[01:32:24] SESSION IS OVER. ALRIGHT WELL I'LL ASK MY
[01:32:27] FELLOW COMMITTEE MEMBERS WOULD YOU
[01:32:28] PREFER JUST A 10 MINUTE BREAK OR WAIT
[01:32:32] TILL 4 30 WHICH WOULD BE IN ABOUT 25
[01:32:34] MINUTES. COMMISSION I'M GOING
[01:32:38] TO START EARLY. ALRIGHT. I AGREE. OKAY
[01:32:42] SO LET'S JUST DO A 10 MINUTE BREAK AND
[01:32:44] START AT 415. OKAY SO
[01:32:49] THIS CONCLUDES TODAY'S PUBLIC AGENDA FOR
[01:32:52] THE PORT OF SEATTLE AUDIT COMMITTEE.
[01:32:54] WE'RE GOING TO REACH US INTO THE NON
[01:32:55] PUBLIC PORTION OF THE MEETING TO ADDRESS
[01:32:58] ITEM NUMBER EIGHT, WHICH IS AN
[01:33:00] INFORMATION TECHNOLOGY AUDIT ITEM FOR
[01:33:02] MALWARE DEFENSES EXCUSE ME FOR THE AVIATION
[01:33:05] MAINTENANCE. I'M GOING TO ASK JUST ONE
[01:33:08] MORE TIME FOR ANY CLOSING COMMENTS FROM
[01:33:10] THE MEMBERS BEFORE WE RECESS.
[01:33:12] COMMISSIONER CHO ANY CLOSING COMMENTS NO
[01:33:15] I JUST WANT TO SAY THANK YOU ALL FOR THE
[01:33:17] GREAT WORK ON ALL THE AUDITS. THANK YOU
[01:33:21] COMMISSIONER. MEMBER GIRKY FOR CLOSING COMMENTS. I
[01:33:25] WOULD JUST ECHO THAT I THOUGHT THAT
[01:33:27] THERE WAS SOME GREAT FINDING THINGS
[01:33:28] AUDITS THAT WERE DISCUSSED TODAY AND I
[01:33:30] APPRECIATE EVERYTHING. EXCELLENT.
[01:33:33] THANK YOU I DO AS WELL AND WE'LL SEE YOU
[01:33:36] ALL BACK IN ABOUT NINE MINUTES THEN. JUST
[01:33:39] A NOTE BEFORE WE ALL TURN OFF THIS CALL
[01:33:42] THAT IT IS A SEPARATE TEAM LINK FOR THAT
[01:33:44] NON PUBLIC SESSION SO PLEASE GO AHEAD
[01:33:47] AND DROP OFF OF THIS LINK AND JOIN THAT
[01:33:50] LINK IF YOU ARE TO BE IN THE NON PUBLIC
[01:33:51] SESSION YOU WOULD HAVE RECEIVED THAT
[01:33:53] MEETING INVITATION. EXCELLENT THANK YOU
[01:33:56] FOR THAT REMINDER MICHELLE. ALRIGHT WE'LL
[01:33:58] SEE YOU IN A FEW MINUTES. THANK YOU.

END OF TRANSCRIPT