



**COMMISSION
AGENDA MEMORANDUM**

Item No. 8p

ACTION ITEM

Date of Meeting December 14, 2021

DATE: November 2, 2021

TO: Stephen P. Metruck, Executive Director

FROM: Lance Lyttle, Managing Director, Aviation
Jeff Moken, Interim Director, Aviation Business and Properties

SUBJECT: Early Termination of an Agreement between the Port and Cathay Pacific Airways

Amount of this request: N/A

Total estimated project cost: N/A

ACTION REQUESTED

Request authorization for the Executive Director to execute an Early Termination Agreement between the Port of Seattle (Port) and Cathay Pacific Airways in advance of its scheduled expiration of December 31, 2022.

SUMMARY

Cathay Pacific Airways began service between Seattle-Tacoma International Airport (SEA) and Hong Kong (HKG) on March 31, 2019. After one year of service, Cathay Pacific elected to discontinue the service due to the financial stress of the COVID-19 pandemic. Under the terms of the SLOA, Cathay Pacific mostly utilized Common Use Premises, the fees for which are based on activity. Now that Cathay Pacific is not flying, they are not incurring any of these fees. Terminating the Cathay Pacific SLOA early will have no financial impact on the Port.

Keeping the SLOA in place requires Cathay Pacific to provide the Port evidence of liability insurance and surety. As Cathay Pacific no longer has a physical presence at SEA, and they are not incurring any charges, neither of these requirements provide a benefit to the Port any longer, and it provides no harm to the Port to allow the early termination of the SLOA between the Port and Cathay Pacific.

There are no attachments to this memo.