

COMMISSION AGENDA MEMORANDUM		Item No.	8q
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 Norwegian Air			

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 Norwegian Air in advance of its scheduled expiration of December 31, 2022.

SUMMARY

Norwegian Air began service between Seattle-Tacoma International Airport (SEA) and London Gatwick ILGW) on September 17, 2017. From 2018 onwards, it operated as a summer-only service from March-October. Norwegian Air's last flight from SEA was on October 25, 2019. In 2020, Norwegian Air elected to discontinue all long-haul service due to the financial stress caused by the COVID-19 pandemic, and therefore did not resume its Seattle flight. Norwegian Air is still in operation but operates only intra-European flights and has no widebody aircraft. Under the terms of the SLOA agreement, Norwegian Air mostly utilized Common Use Premises, the fees for which are based on activity. Now that Norwegian Air is not flying, they are not incurring any of these fees. Terminating the Norwegian Air SLOA early will have no financial impact on the Port.

Keeping SLOA in place requires Norwegian Air to provide the Port evidence of liability insurance and surety. As Norwegian Air 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 early termination of the SLOA between the Port and Norwegian Air.

There are no attachments to this memo.