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UM,
THIS IS COMMISSION PRESIDENT SAM CHO CONVENING.
THE SPECIAL MEETING OF MARCH TIME IS
10:00 A.M.. WE'RE MEETING IN PERSON TODAY AT THE
PORT OF SEATTLE HEADQUARTERS BUILDING AT PIER 69
AND VIRTUALLY VIA MICROSOFT TEAMS. PRESENT WITH ME
TODAY ARE COMMISSIONERS CALKINS, FELLEMAN,
HASEGAWA AND MOHAMMED, WHO ARE CURRENTLY GATHERED
IN THE EXECUTIVE SESSION ROOM AWAITING THE OPENING
OF THE PUBLIC MEETING. WE'LL NOW RECESS INTO
EXECUTIVE SESSION TO DISCUSS ONE ITEM REGARDING
LITIGATION AND OR POTENTIAL AVIATION OR LEGAL RISK
PER RCW 42.30.110,
SUB ONE, SUB I FOR APPROXIMATELY 55 MINUTES. AND
TWO ITEMS RELATE TO THE PERFORMANCE OF PUBLIC
EMPLOYEES, PIER RCW 42.30.110,
SUB ONE, SUB G. AND WE'LL RECONVENE INTO PUBLIC
SESSION AT NOON. THANK YOU SO MUCH. THANK YOU.
AND I JUST WANT TO NOTE MY ERROR THAT SECOND SET
OF PERFORMANCE OF PUBLIC EMPLOYEES WILL LAST 60
MINUTES IN TOTAL. SO I NEGLECTED TO ADD THAT
THERE. AND WE ARE IN RECESS. THANK YOU.
THIS IS COMMISSION PRESIDENT SAM CHO RECONVENING
THE SPECIAL MEETING OF MARCH 14, 2023.
THE TIME IS 12:11 P.M.. WE'RE MEETING IN PERSON
DAY AT THE PORT OF SEATTLE HEADQUARTERS BUILDING
COMMISSION CHAMBERS AND VIRTUALLY VIA MICROSOFT
TEAMS CLERK HART, PLEASE CALL THE ROLL OF ALL
COMMISSIONERS IN ATTENDANCE. THANK YOU. MR.
COMMISSION PRESIDENT, BEGINNING WITH COMMISSIONER
FELLEMAN.
PRESENT. THANK YOU. COMMISSIONER HASAGAWA.
PRESENT. THANK YOU. COMMISSIONER MOHAMMED.
PRESENT. THANK YOU. COMMISSIONER CALKINS. HERE.
THANK YOU. AND COMMISSIONER CHO. PRESENT. THANK
YOU. WE DO HAVE A QUORUM. EXCELLENT. A FEW
HOUSEKEEPING ITEMS BEFORE WE BEGIN TODAY. FOR
EVERYONE IN THE MEETING ROOM, PLEASE TURN OFF YOUR
CELL PHONES TO SILENT. FOR ANYONE PARTICIPATING
ON THE TEAM, PLEASE MUTE YOUR SPEAKERS. WHEN NOT
ACTIVELY SPEAKING OR PRESENTING, PLEASE KEEP YOUR
CAMERAS OFF UNLESS YOU ARE A MEMBER OF THE
COMMISSIONER OR EXECUTIVE DIRECTOR PARTICIPATING
VIRTUALLY, OR YOU ARE A MEMBER OF STAFF IN A
PRESENTATION AND OR ACTIVELY ADDRESSING THE
COMMISSION. MEMBERS OF THE PUBLIC ADDRESSING THE
COMMISSION DURING PUBLIC COMMENT MAY TURN ON THEIR
CAMERAS WHEN THEIR NAME IS CALLED TO SPEAK AND
WILL TURN THEM BACK OFF AT THE CONCLUSION OF THEIR
REMARKS. FOR ANYONE AT THE DAIS HERE TODAY,
PLEASE TURN OFF THE SPEAKERS ON ANY COMPUTERS AND
SILENCE YOUR DEVICES. PLEASE ALSO REMEMBER TO
ADDRESS YOUR REQUESTS TO BE RECOGNIZED, TO SPEAK
THROUGH THE CHAIR, AND TO WAIT TO SPEAK UNTIL YOU
HAVE BEEN RECOGNIZED. YOU'LL TURN YOUR MICROPHONE
ON AND OFF AS NEEDED. ALL THE ITEMS NOTED HERE
WILL ENSURE A SMOOTHER MEETING, SO I THANK YOU IN
ADVANCE. ALL VOTES TODAY WILL BE TAKEN IN THE ROLL
CALL METHOD, SO IT IS CLEAR FOR ANYONE
PARTICIPATING VIRTUALLY HOW THE VOTES ARE

CASTE COMMISSIONERS WILL SAY AYE OR NAYS WHEN THEIR NAME IS CALLED. WE ARE MEETING ON THE ANCESTRAL LANDS AND WATERS OF THE COAST SALISH PEOPLE, WITH WHOM WE SHARE A COMMITMENT TO STEWARD THESE NATURAL RESOURCES FOR FUTURE GENERATIONS. THIS MEETING IS BEING DIGITALLY RECORDED AND MAY BE VIEWED OR HEARD AT ANY TIME ON THE PORT'S WEBSITE AND MAY BE REBROADCAST BY KING COUNTY TELEVISION. PLEASE STAND OR JOIN US FOR THE PLEDGE OF ALLEGIANCE [THE PLEDGE OF ALLEGEANCE IS RECITED]

ALL RIGHT, THANK YOU.

SORRY. THE FIRST ITEM TODAY WILL BE THE APPROVAL OF THE AGENDA. AS A REMINDER, IF A COMMISSIONER WISHES TO COMMENT FOR OR AGAINST AN ITEM ON THE CONSENT AGENDA, IT IS NOT NECESSARY TO PULL THE ITEM FROM THE CONSENT AGENDA. RATHER, A COMMISSIONER MAY OFFER SUPPORTING OR OPPOSING COMMENTS ONCE THE MOTION TO APPROVE THE CONSENT AGENDA IS ON THE FLOOR AND BEFORE THE VOTE IS TAKEN. HOWEVER, IF A COMMISSIONER WANTS TO ASK QUESTIONS OF STAFF OR WISHES TO HAVE A DIALOGUE ON THE CONSENT AGENDA ITEM, IT IS APPROPRIATE TO REQUEST THE ITEM TO BE PULLED OFF FOR SEPARATE DISCUSSION. ARE THERE ANY ITEMS TO BE PULLED FROM THE CONSENT AGENDA OR ANY MOTIONS TO REARRANGE THE ORDERS OF THE DAY? MR. CHAIR, I'D LIKE TO PULL ITEM NUMBER FOUR A, ANNUAL EXECUTIVE DIRECTOR PERFORMANCE REVIEW FROM THE AGENDA. THANK YOU. COMMISSIONER HASAGAWA. DO I HAVE A SECOND TO PULL FOUR A? THANK YOU.

I HAVE A MOTION AND A SECOND TO PULL FOUR A FROM THE AGENDA, WHICH IS THE ANNUAL EXECUTIVE DIRECTOR PERFORMANCE REVIEW. WE WILL BE RESCHEDULING THIS TO ANOTHER WEEK.

ALL RIGHT. THE QUESTION, COMMISSIONERS, IS NOW THE QUESTION ON THE APPROVAL OF THE AGENDA.

IS THERE A MOTION TO APPROVE THE AGENDA AS PRESENTED AS AMENDED? EXCUSE ME.

MOTION HAS BEEN MADE AND SECONDED. IS THERE ANY OBJECTIONS TO APPROVAL AGENDA? I'M SORRY? HEARING. YEAH.

OKAY. I DON'T THINK WE NEED TO DO A ROLL CALL. I'M JUST ASKING FOR IT. MR. COMMISSION PRESIDENT. YOU CAN DO THAT. BY GENERAL CONSENT IS FINE.

OKAY, GREAT. ARE THERE ANY OBJECTIONS TO THE APPROVAL OF THE AGENDA AS AMENDED? HEARING NONE. THE AGENDA IS APPROVED AS AMENDED. THANK YOU VERY MUCH. ALL RIGHT, COMMISSIONERS, WE DO HAVE OH, WE DON'T HAVE A SPECIAL ORDER ANYMORE BECAUSE WE JUST PULLED THAT AGENDA. TOP OF NINE. THANK YOU.

NEXT ON OUR AGENDA IS THE EXECUTIVE DIRECTOR'S REPORT. EXECUTIVE METRUCK, YOU HAVE THE FLOOR. GOOD AFTERNOON, COMMISSIONERS. I'D LIKE TO BEGIN WITH MY REMARKS BY WISHING EVERYONE A HAPPY WOMEN'S HISTORY MONTH. EVERY MARCH, WE TAKE TIME TO STUDY, COMMEMORATE AND CELEBRATE THE VITAL ROLE OF WOMEN IN THE UNITED STATES HISTORY. DURING THE DURING MARCH, THE PORT'S WOMEN'S INITIATIVE NETWORK, OR WIN, IS HOSTING EVENTS INCLUDING CELEBRATING WOMEN LEADERS ACROSS THE PORT ON MARCH 16 IN OUR WOMEN OUTSTANDING ACHIEVEMENT AWARDS FOR THE YEAR IN MARCH 29. ENCOURAGE EVERYONE TO ATTEND THOSE EVENTS. SOME OTHER NOTABLE

UPCOMING PORT EVENTS INCLUDE TOMORROW'S SOUTH SEATTLE COMMUNITY MULTIAGENCY FORUM. OVER THE COURSE OF THE PAST FEW YEARS, WE HAVE RECEIVED SEVERAL LETTERS FROM COMMUNITY ORGANIZATIONS WHO CONCERNS REQUIRE THE COORDINATION OF PARTICIPATION OF ALL RELEVANT GOVERNMENT ENTITIES WITH JURISDICTION OVER THE KEY ISSUES THAT HAVE BEEN RAISED, LIKE THE ROLE THE PORT PLAYS ON MANY OTHER ISSUES. WE ARE TAKING THE INITIATIVE AND ACTING AS THE CONVENER OF THIS MEETING BY COORDINATING WITH OUR STAKEHOLDERS TO IDENTIFY SHARED GOALS AND DESIRED OUTCOMES. THIS IS MADE POSSIBLE DUE TO YOUR LEADERSHIP AND WILL CONVENE MULTIPLE GOVERNMENT AGENCIES, PRIVATE SECTOR PARTNERS AND REPRESENTATION FROM MANY ELECTED OFFICES TO HEAR QUESTIONS AND CONCERNS REGARDING NOISE, EMISSIONS, HEALTH AND QUALITY OF LIFE. KEY PARTICIPANTS INCLUDE THE CITY OF SEATTLE'S, DEPARTMENT OF NEIGHBORHOODS, KING COUNTY INTERNATIONAL AIRPORT, PUTS SOUND CLEAN AIR AGENCY, THE GOVERNOR'S OFFICE, THE KING COUNTY EXECUTIVE'S OFFICE, THE SEATTLE MAYOR'S OFFICE AND STAFF FROM FOUR CONGRESSIONAL OFFICES. WE HOPE THAT THIS IS A STARTING POINT FOR BROADER ENGAGEMENT AND UNDERSTANDING AROUND PUBLIC AGENCY ACTIONS AND HOW THEY IMPACT AND ALIGN WITH SOUTH SEATTLE COMMUNITIES. THANKS TO THE COMMISSIONER HASAGAWA AND COMMISSIONER FELLEMAN FOR PLANNING TO ATTEND THE EVENT TOMORROW. AN ANNUAL EVENT HAPPENING THIS WEEKEND IS THE BLESSING OF THE FLEET, WHICH WILL BE HELD AT FISHERMAN'S TERMINAL THIS COMING SUNDAY AT 1:00 P.M.. PRESENTED BY THE BALLARD FIRST LUTHERAN CHURCH, THE EVENT IS INTENDED AS A CELEBRATION OF HOPE FOR A GOOD AND SAFE UPCOMING FISHING SEASON THIS YEAR. THE BOAT THAT THE BLESSING WILL BE BLESSING REPRESENTING THE FLEET IS THE SILVERWARE, A 58 FOOT PURSNER HOME PORTED AT FISHERMAN'S TERMINAL. IT'S GREAT TO THINK ABOUT THE SAFETY AND WELL BEING OF THOSE THAT BRAVE THE SEAS TO PUT FOOD ON OUR TABLES. HOPE EVERYONE CAN ATTEND THAT EVENT AS WELL. I WOULD ALSO LIKE TO EXTEND MY CONGRATULATIONS AGAIN TO THE ACCOUNTING AND FINANCIAL REPORTING DEPARTMENT HERE AT THE PORT ON THE NEWS THAT THE PORT HAS RECEIVED THE CERTIFICATION OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING FROM THE GOVERNMENT FINANCE OFFICERS ASSOCIATION, GFOA, THE UNITED STATES AND CANADA. AS STATED IN THE GFOA AWARD NOTIFICATION, THIS CERTIFICATION IS THE HIGHEST FORM OF RECOGNITION IN THE AREA OF GOVERNMENT ACCOUNTING AND FINANCIAL REPORTING, AND ITS ATTAINMENT REPRESENTS A SIGNIFICANT ACHIEVEMENT BY A GOVERNMENT IN ITS MANAGEMENT. THIS IS NOW THE 17TH CONSECUTIVE YEAR THAT THE PORT HAS EARNED THIS RECOGNITION. ALONG WITH THIS PRESTIGIOUS ACKNOWLEDGMENT, THE GFOA AWARD OF FINANCIAL REPORTING ACHIEVEMENT WAS SEPARATELY GIVEN TO THE AFR DEPARTMENT. SO CONGRATULATIONS TO THE ENTIRE AFR TEAM MOVING TO TODAY'S COMMISSIONER MEETING, I'D LIKE TO HIGHLIGHT A FEW ITEMS ON OUR CONSENT AGENDA TODAY. WE HAVE SEVERAL ITEMS RELATED TO ENHANCING BOTH PHYSICAL AND

CYBERSECURITY AT OUR FACILITIES, AS WELL AS OUR RESILIENCY FROM RENEWING OUR BADGING SYSTEM, TO IMPROVING OUR NETWORK FIREWALL, TO INCREASING THE CAPACITY OF OUR COMMUNICATION INFRASTRUCTURE AT THE AIRPORT. THESE ITEMS MAY NOT GET THE HEADLINES, BUT THEY ARE ALSO KEY TO OUR ABILITY TO CONTINUE TO OPERATE OUR FACILITIES IN A SAFE, EFFICIENT AND RELIABLE MANNER. YOU'LL ALSO HEAR ABOUT OUR 2022 FINANCIAL PERFORMANCE, WHICH IS NOT ONLY A CHANCE TO REFLECT ON THE SUCCESSES AND CHALLENGES FROM THE PAST YEAR, BUT WILL ALSO LAY THE GROUNDWORK AS WE GO INTO BUSINESS PLANNING FOR OUR 2024 BUDGET. I'LL HAVE MORE TO SAY ABOUT THAT ITEM DURING ITS INTRODUCTION. COMMISSIONERS, THIS CONCLUDES MY REMARKS THIS AFTERNOON. THANK YOU. THANK YOU. FOR THAT REPORT. EXECUTIVE DIRECTOR METRUCK. WE ARE NOW GOING TO MOVE ON TO COMMITTEE REPORTS. ERICA CHUNG, COMMISSIONER STRATEGIC ADVISOR WILL PROVIDE THE REPORT. ERICA. GREAT. GOOD AFTERNOON, PRESIDENT CHO AND COMMISSIONERS. I HAVE FOUR COMMITTEE AND ONE ADVISORY COMMITTEE REPORT FOR YOU TODAY. THE SUSTAINABILITY, ENVIRONMENT AND CLIMATE COMMITTEE CONVENED BY COMMISSIONERS HASEGAWA FELLEMAN MET ON FEBRUARY 21, WHERE THEY WERE BRIEFED ON PROPOSED TREE AND FOREST MANAGEMENT PRINCIPLES, INCLUDING EXISTING PROGRAMS AND GAPS. COMMISSIONERS DISCUSSED HOW BEST TO BEST TO MEASURE WHAT FOR BENCHMARKING AND CONSISTENCY. COMMISSIONERS ALSO DISCUSSED MAINTENANCE STRATEGIES FOR OVERALL FORESTS AND HABITAT. HEALTH COMMITTEE ALSO RECEIVED A BRIEFING ON SCA GATEWAY NORTH MAIN TERMINAL REDEVELOPMENT PROGRAM, WHERE COMMISSIONERS RECEIVED AN OVERVIEW OF THE PROJECT SUSTAINABLE EVALUATION FRAMEWORK ANALYSIS AND RECOMMENDATIONS ON NEXT STEPS. PORT WIDE ARTS AND CULTURE BOARD MET ON FEBRUARY 21 WITH COMMISSIONER FELLEMAN AND CHO PARTICIPATING WITH SEVERAL NEW MEMBERS JOINING THE BOARD. MEMBERS WERE BRIEFED ON THE PURVIEW AND ROLE OF THE BOARD. THE BOARD RECEIVED AN UPDATE FROM SENIOR ART PROGRAM MANAGER ON PROJECTED CAPITAL IMPROVEMENT PROJECT SPENDING ON ART PROJECTS, AND THE BOARD DISCUSSED THE 2023 WORK PLAN. ON THURSDAY, MARCH 2, DEPUTY MAYOR NAGUSI LED THE FIRST JOINT ADVISORY COMMITTEE MEETING ON 2023. COMMISSIONER FELLEMAN AND MOHAMMED WERE IN ATTENDANCE. AGENDA COVERED UPDATES REGARDING HOW THE INTERLOCAL AGREEMENT IS WORKING, AN UPDATE ON THE MUNICIPAL COURT ILA BETWEEN THE PORT AND SEATAC, A 2023 LEGISLATIVE SESSION UPDATE AND CONTINUED DISCUSSION REGARDING NORTH SEATAC PARK. COMMISSIONERS FELLEMAN AND CALKINS CONVENED THE WATERFRONT AND INDUSTRIAL LANDS COMMITTEE ON MARCH 8. DURING THE MEETING, THEY RECEIVED A PRESENTATION ON REAL ESTATE NEAR THE NORTH HARBOR AND PROVIDED DIRECTIONS TO STAFF. ON MARCH 2, COMMISSIONERS HASAGAWA AND CALKINS CONVENED THE EQUITY AND WORKFORCE DEVELOPMENT COMMITTEE. COMMISSIONERS WERE JOINED BY ECONOMIC DEVELOPMENT DIVISION STAFF AND CONSULTANTS FROM INTELLIGENT PARTNERSHIP WHO DELIVERED A PRESENTATION ON THE PORT'S WMBE ANALYSIS.

THIS PRESENTATION CONSISTED OF A PRELIMINARY REVIEW OF THE BARRIERS FACED BY WMBE BUSINESSES AND WORKING WITH THE PORT, AND SOME SUGGESTED OPTIONS FOR LOWERING THESE BARRIERS. COMMISSIONERS NOTED THE SCALE OF THE CHALLENGES PRESENTED IN THE ANALYSIS AND THE NEED TO THINK CREATIVELY AND STRATEGICALLY TO ADDRESS THESE BARRIERS. STAFF ARE STILL WORKING TO FINALIZE THE ANALYSIS AND WILL DISTRIBUTE TO COMMISSIONERS WHEN THEY'RE DONE. THIS CONCLUDES MY REPORT. THANK YOU. EXCELLENT. THANK YOU, ERICA, FOR THAT REPORT. ARE THERE ANY FOLLOW UP QUESTIONS REGARDING COMMITTEES FROM OUR COMMISSIONERS? IF SO, PLEASE INDICATE IF YOU WOULD LIKE TO SPEAK. SEEING NONE, WE'LL MOVE ON TO THE NEXT AGENDA. THANK YOU, ERICA. ALL RIGHT, WE ARE MOVING ON TO ITEM SEVEN, WHICH IS PUBLIC COMMENT ON OUR AGENDA. THE PORT COMMISSION WELCOMES PUBLIC COMMENT AS AN IMPORTANT PART OF THE PUBLIC PROCESS. COMMENTS ARE RECEIVED AND CONSIDERED BY THE COMMISSIONER IN ITS DELIBERATIONS. SORRY, THAT'S LOUD. I'LL TURN IT DOWN. SORRY. HOT MIC. SHE'S GOT IT. BEFORE WE TAKE THE PUBLIC COMMENT, I WANT TO REVIEW OUR RULES FOR IN PERSON VIRTUAL PUBLIC COMMENT. EACH COMMENTATOR WILL HAVE TWO MINUTES TO SPEAK AND SHOULD STAY WITHIN THE ALLOTTED TIME. A TIMER WILL BE ON THE SCREEN AND A BUZZARD WILL SOUND AT THE END OF THE TWO MINUTE PERIOD. FOR EACH SPEAKER, YOU MUST LIMIT REMARKS TO TOPICS RELATED TO THE CONDUCT OF POOR BUSINESS. THESE RULES APPLY TO INTRODUCTORY AND CONCLUDING REMARKS. ALL REMARKS SHOULD BE ADDRESSED TO THE COMMISSION AS A BODY, NOT TO INDIVIDUAL COMMISSIONERS. DISRUPTIONS OF COMMISSIONER PUBLIC MEETINGS ARE PROHIBITED. DISRUPTIONS INCLUDE, BUT ARE NOT LIMITED TO THE FOLLOWING REFUSAL OF SPEAKER TO LIMIT REMARKS TO TOPICS RELATED TO THE CONDUCT OF POOR BUSINESS THREATS AND ABUSIVE OR HARASSING BEHAVIOR AND LANGUAGE OBSCENE LANGUAGE AND GESTURES. REFUSAL OF A SPEAKER TO COMPLY WITH THE ALLOTTED TIME SET FOR THE INDIVIDUAL SPEAKER'S PUBLIC COMMENT LEAVING THE PODIUM OR TESTIMONY TABLE TO PHYSICALLY APPROACH THE COMMISSIONERS OR STAFF DURING ONE'S PUBLIC COMMENT PROVIDED SPEAKERS MAY OFFER WRITTEN MATERIALS TO COMMISSION CLERK AND ANY BEHAVIOR THAT DISRUPTS, DISTURBS, OR OTHERWISE IMPEDES THE MEETING. ANY DISRUPTION WILL RESULT IN A SPEAKER'S MICROPHONE BEING IMMEDIATELY SHUT OFF AND A WARNING OR LOSS OF SPEAKING PRIVILEGES OR REMOVED FROM THE MEETING AS PROVIDED IN THE COMMISSION'S BYLAWS WRITTEN MATERIALS PROVIDED TO THE CLERK WILL BE INCLUDED IN TODAY'S MEETING RECORD. THE CLERK HAS A LIST OF THOSE PREPARED TO SPEAK. WE ARE TAKING COMMENTS FROM ANYONE WHO HAS SIGNED UP TO SPEAK VIRTUALLY, AS WELL AS FROM ANYONE WHO HAS JOINED US IN THE CHAMBERS. WHEN I CALL YOUR NAME. IF YOU ARE JOINING VIRTUALLY, PLEASE UNMUTE YOURSELF. THEN PLEASE REPEAT YOUR NAME FOR THE RECORD AND STATE YOUR TOPIC RELATED TO THE CONDUCT OF THE POOR BUSINESS. IF YOU'RE ON THE TEAM'S MEETING AND AT THE SAME TIME STREAMING THE MEETING ON THE WEBSITE, PLEASE MUTE THE WEBSITE STREAM TO AVOID

FEEDBACK. IF YOU ARE SPEAKING FROM THE ROOM, PLEASE COME TO THE TESTIMONY TABLE, REPEAT YOUR NAME FOR THE RECORD AND STATE YOUR TOPIC RELATE TO THE CONDUCT OF PORT BUSINESS. GOING ON TO THE LIST OF SPEAKERS, OUR FIRST SPEAKER WILL BE ALEX ZIMMERMAN. ALEX, YOU HAVE TWO MINUTES. PLEASE STATE YOUR FULL NAME AND THE TOPIC RELATED TO CONDUCT PORT BUSINESS. LET ME GO AHEAD AND GET THE TIMER UP BEFORE WE BEGIN. THANK YOU VERY MUCH. GIVE ME JUST A SECOND. ALEX, IS HERE OKAY? YES, BUT I WANT TO GET THE TIMER UP. HANG ON A MINUTE FOR ME. IT'S WORKING. MICROPHONE. YEAH, IT'S WORKING. THANK YOU VERY MUCH. YEAH, HANG ON A SECOND. THANK YOU, ALEX? YEAH, OKAY. ALL RIGHT, GO AHEAD. WHEN YOU'RE READY. MY NAME ALEX. IT'S WORKING. YES. I WON'T START IT UNTIL YOU STATE YOUR CONDUCT OR YOUR TOPIC RELATED TO THE CONDUCT OF THE PORT. ALEX, YOU NEED TO STATE YOUR FULL NAME AND THE TOPIC RELATED TO THE PORT. I KNOW MY NAME. I REMEMBER. YEAH, IT'S FOR THE PUBLIC, NOT FOR YOU. SO IT'S WORKING OR NOT? YES. ALEX, DO YOU WANT ME TO MY NAME ALEX ZIMMERMAN. THANK YOU VERY MUCH. MY NAME ALEX ZIMMERMAN AND I CAN DO THAT FOR SHIP TO THE MOON. I WANT TO SPEAK ABOUT PORT ETHICAL STANDARD. WHAT IS I SEE HERE FOR MANY TIME, FOR MANY YEARS. FIRST, I DON'T UNDERSTAND AND I SPOKE WITH YOU BEFORE ABOUT THIS. WHY COMMISSIONER ALWAYS LATE? I DON'T UNDERSTAND THIS. I CAN IMAGINE. SO THIS HAPPENED BECAUSE YOU SHOW WHO'S BOSS IN THIS ROOM. THIS EXACTLY HAPPENED DIRECTOR IN .[INAUDible 00:16:47] YOU KNOW WHAT HAS BEEN ALWAYS COME BEFORE IS A STANDARD GENTLEMAN BUSINESS PROCEDURE. WHAT HAS EXIST IN ALL COUNTRY. I LIVE BEFORE IN MANY COUNTRIES, SO I KNOW WHAT IS I'M TALKING AND I'M PROFESSIONAL BUSINESSMAN. IT'S NUMBER ONE. NUMBER TWO, I'M TOTALLY CONFUSED ABOUT COUNCIL PERSONAL STANDARDS. YOU KNOW WHAT THIS MEANS? BECAUSE SOMEBODY CONSOLED FROM YOU WHEN I START SPEAKING, TAKE CHAIR OUT AND SHOW TO PUBLIC. HE'S SMART ASS. I NEVER SEE LIKE THIS BEFORE IN MY LIFE. BUT THIS HAS HAPPENED BEFORE MANY TIMES HERE, GUYS, YOU UNDERSTAND WHAT HAS HAPPENED IN THIS SITUATION? YOUR ETHICAL STANDARD CLOSE TO NONE, TO ZERO IS EXACTLY WHO YOU ARE. AND I TOLD YOU BEFORE MANY TIMES, GUYS, YOU NEED SOMETHING DOING WITH YOURSELF BECAUSE YOU LOW LIFE, VERY PRIMITIVE. VERY PRIMITIVE. ALEX, YOUR COMMENTS AREN'T RELEVANT TO THE PORT. COULD YOU PLEASE KEEP YOUR TOPIC TO THE PORT STANDARDS? IT'S A FUNDAMENTAL POINT IN EVERY MEETING GOVERNMENT HAVE EVERY MEETING IS OFFICIALLY EVERYWHERE. ETHICAL STANDARD VERY IMPORTANT. SO I WANT WHAT IS YOU COME FIRST TIME BEFORE TWELVE, LIKE ALL CIVILIZED PEOPLE DOING IN STOPPING SOMETHING, DOING WHAT IS ABSOLUTELY STUPID AND DON'T HAVE SENSE SHOW. SO YOU ARE BOSSES. EVERYBODY KNOW YOU ARE VERY LOW CLASS BOSSES COME FROM JOHN KIA. IS THIS EXACTLY MY OPINION? ALEX, YOUR COMMENTS NEED TO STAY WITH

THE NEW CONDUCT BOARD. NO PROBLEM.
YOU HAVE RIGHT FOR CUT. THANK YOU.
MOVING ON, I'M GOING TO ALTERNATE BETWEEN VIRTUAL
AND IN PERSON SPEAKERS. I THINK THE NEXT VIRTUAL
SPEAKER IS LIZ JOHNSON. LIZ, CAN YOU HEAR ME?
YES, I CAN. EXCELLENT. WHEN YOU STATE YOUR NAME
AND THE TOPIC RELATED TO POOR CONDUCT, WE'LL START
THE TIMER. BEAUTIFUL, THANK YOU. MY NAME IS LIZ
JOHNSON AND I AM SPEAKING ON BEHALF OF THE TOURISM
THE STATE OF WASHINGTON TOURISM ACTION ITEM.
EXCELLENT, GO AHEAD. FIRST OFF, THANK YOU
COMMISSIONERS FOR ALLOWING ME TO ADDRESS THIS
TOPIC TODAY. MY NAME IS LIZ JOHNSON, AS I SAID AND
I AM THE DIRECTOR OF INTERNATIONAL TOURISM AT
VISIT SEATTLE. I HAVE BEEN PERSONALLY INVOLVED
WITH THE MOVE TOWARDS GREATER COOPERATION BETWEEN
THE PORT OF SEATTLE AND STATE OF WASHINGTON
TOURISM. THE THREE ORGANIZATIONS RECENTLY MADE AN
IMPORTANT STEP IN COLLABORATING BY SIGNING A JOINT
CONTRACT IN AUSTRALIA AND NEW ZEALAND WITH
LINKED TOURISM. AT THE BEGINNING OF JANUARY 2023.
WE INSTIGATED THE RFP PROCESS TOGETHER AND
ULTIMATELY AGREED ON THE BEST ORGANIZATION TO
REPRESENT OUR SHARED INTERESTS. THIS IS, TO MY
KNOWLEDGE, THE FIRST TIME THAT THE THREE
ORGANIZATIONS HAVE CREATED SUCH A PARTNERSHIP.
SOON AFTER MY COLLEAGUE CAITLIN SHEARER TRAVELED
TO AUSTRALIA AND NEW ZEALAND FOR A TRADE SHOW AND
MEETINGS WITH TRAVEL, TRADE AND MEDIA. SHE DID
THIS WITH THE NEW TRADE AND MEDIA MANAGERS FROM
LINK BY HER SIDE. THE OVERWHELMING RESPONSE
FROM DOWN UNDER ABOUT OUR JOINT PARTNERSHIP WAS,
IT'S ABOUT TIME. THEY WERE HAPPY TO HAVE SEATTLE
AND WASHINGTON STATE BACK IN THE MARKET AND
REPEATEDLY SAID THAT THIS JOINT PROMOTION, QUOTE,
JUST MAKES SENSE. THE INTERNATIONAL MARKET
RECOGNIZES THE VALUE OF OUR PARTNERSHIP, AND IT'S
IMPERATIVE THAT WE CONTINUE TO DO THE SAME. I LOOK
FORWARD TO MORE COLLABORATION ACROSS MULTIPLE
INTERNATIONAL MARKETS IN THE NEAR FUTURE WITH EACH
OF THESE ORGANIZATIONS. THANK YOU. THANK YOU VERY
MUCH, LIZ. WE'LL GO ON TO THE NEXT IN PERSON
SPEAKER, WHICH IS MARGARET RICHARD.
MARGARET, IF YOU COULD STATE YOUR FULL NAME FOR
THE RECORD AND THE TOPIC RELATED TO PORT CONDUCT,
AND THEN WE'LL GET THE TIMER STARTED. THANK YOU.
MY NAME IS MARGUERITE RICHARD.
WHAT ELSE DID YOU ASK ME AND YOUR TOPIC?
WELL, MY TOPIC IS PORT BUSINESS.
I DON'T KNOW WHAT'S GOING ON OVER HERE. I THOUGHT
I TURNED MY PHONE OFF.
I'M TAKING THIS MATTER VERY PERSONAL TODAY,
OKAY. BECAUSE ANYWAY,
I THOUGHT I HAD TURNED IT OFF. I'M TAKING IT
PERSONAL BECAUSE OF THE SIMPLE FACT THAT I'M AN
INDIGENOUS BLACK FEMALE.
AND I REALLY FEEL THAT
WE'RE ALLOWED TO BE LED TO BE INTIMIDATED
WHEN WE COME IN THIS POINT OF VIEW.
SO I DON'T LIKE THAT. OKAY. WE HAVE A RECENT
DEATH BECAUSE YOU HAVE SECURITY HERE.
TYREE NICHOLS, LAW ENFORCEMENT KILLED
HIM. IN FRONT OF EVERYBODY. OKAY, THEN I COME

DOWN HERE AND I SEE YOU GUYS BRAWL, BEATEN ALEX ZIMMERMAN. I DON'T LIKE THAT. THAT IS AN OFFENSE TO ME, AND I DON'T CARE ANYMORE FOR WHAT HAS ALSO KILLED SOMEBODY HONORABLE MICHAEL B. FULLER. I DON'T KNOW FOR THE RECORD, IF HE CAME DOWN HERE AND EVER ADDRESSED YOU, BUT HE'S DECEASED NOW. HE DIED AUGUST 24, 2022. AND THAT STATEMENT, OFFICIAL OPPRESSION, I'VE NEVER HEARD OF IT. SOMEBODY HELPED ME OUT WITH IT. YOU CAN BE OFFICIALLY OPPRESSED AND THEN LOSE YOUR LIFE BEHIND IT BECAUSE ALL YOU'RE DOING IS FREE SPEECH. AND IF WE DON'T HAVE SPEECH, WHAT DO WE HAVE? A GOD GIVEN RIGHT TO ADDRESS GOVERNMENT WITHOUT FEAR OF RETALIATION. BUT YOU GOT CERTAIN RULES AND REGULATIONS FOR PEOPLE LIKE THIS. THAT'S WHY I'M CARRYING THIS. BECAUSE ALL THE STANDARDS THAT I TRY TO LIVE UP UNDER AND LIVE A GOOD, RIGHTEOUS AND HOLY LIFE, SOMETHING CAME AGAINST ME, JUST OPENING MY MOUTH AND ADDRESSING BODIES LIKE YOU. AND HERE COME ALL THOSE ATTACKS. AND YOU TELL US ABOUT PERSONAL ATTACK. WHAT ARE YOU GOING TO DO ABOUT THE STUFF THAT WE HAVE TO FACE EVERY SINGLE DAY? AND THEY'RE GOING UP ON EVERYTHING THAT WE HAVE TO PUT OUR HANDS ON. THANK YOU, MARGUERITE. YOUR TIME IS UP. I'M SORRY. THANK YOU. SORRY ABOUT NOTHING, BECAUSE I'M NOT JOKING. ALL RIGHT, OUR NEXT VIRTUAL SPEAKER IS GOING TO BE DAVID BLANFORD. DAVID, ARE YOU WITH US? YES, I AM. EXCELLENT. IT'S A BUSY DAY FOR YOU TODAY, DAVID. I SAW YOU EARLIER THIS MORNING IN OLYMPIA. GO AHEAD. PLEASE STATE YOUR FULL NAME FOR THE RECORD AS WELL AS A TOPIC RELATED TO POOR CONDUCT OF BUSINESS AND WE'LL START THE TIMER. YEAH, GIVE ME JUST A MINUTE. MR. COMMISSIONER, PRESIDENT, I'M HAVING AN ISSUE WITH THE TIMER. YOU CAN SPEAK BY TELEPHONE. USE TELEPHONE. TWO MINUTES. THIS IS VERY SIMPLE. MANY DOING. OUR TIMER WENT DOWN. SO GIVE ME JUST A MOMENT TO GET IT BACK UP HERE. NO PROBLEM. JUST NOT WANTING TO COOPERATE. HANG ON. THERE WE GO. EXCELLENT. GO AHEAD, DAVID. IF YOU COULD STATE YOUR NAME AND THE TOPIC. GREAT. PRESIDENT CHO COMMISSIONER IS GOOD TO BE WITH YOU TODAY. I'M DAVID BLANFORD, I'M CEO OF STATE OF WASHINGTON TOURISM AND I'M SPEAKING TODAY IN SUPPORT OF THE TOURISM CAT THREE STATE OF WASHINGTON TOURISM ACTION ITEM. DURING THE PAST THREE YEARS, THE PORT OF SEATTLE STATE OF WASHINGTON TOURISM HAVE PARTNERED TO HELP WASHINGTON'S TOURISM INDUSTRY RECOVER FROM THE DEEP IMPACTS OF THE PANDEMIC AND POSITION FOR INCREMENTAL GROWTH IN THE FUTURE. BUT TOURISM CANNOT FULLY RECOVER UNTIL OVERSEAS TOURISM CAN RECOVER. SO CONTINUED PARTNERSHIP WILL BE NEEDED TO REGENERATE IMPORTANT MARKETS FOR US. THREE YEARS AGO, CHINA WAS OUR NUMBER ONE OVERSEAS MARKET AND DEFINITELY OUR BIGGEST GROWTH OPPORTUNITY. MATURE MARKETS LIKE THE UK AND JAPAN

HAD SEEN INVESTMENT FROM US FOR 20 YEARS OR MORE. AND THOSE MARKETS UNDERSTAND THIS DESTINATION AND CERTAINLY COULD BE BUILT BACK. GREAT EXCITEMENT ABOUT SOUTH KOREA, FRANCE. BENELUX AND CERTAINLY, AS LIZ JOHNSON SAID, AUSTRALIA AND NEW ZEALAND. REGENERATING INTERNATIONAL TOURISM MARKETS IS CRITICAL FOR WASHINGTON. TOURISM IS AN EXPORT INDUSTRY. THAT MEANS THAT THE PRODUCT IS ALREADY IN PLACE, BUT REQUIRES DELIVERY TO MARKET. THAT MEANS TOURISM DEVELOPMENT AND MARKETING FROM US. STRONG ALIGNMENT EXISTS BETWEEN THE STATE OF WASHINGTON TOURISM THE PORT OF SEATTLE AND VISIT SEATTLE. TOGETHER WE HAVE THE OPPORTUNITY TO STRENGTHEN OUR GLOBAL DESTINATION BRAND, BOLSTER INTERNATIONAL MARKET SHARE AND DRIVE REGIONAL EQUITY AND RESILIENCY ACROSS WASHINGTON. STATE OF WASHINGTON TOURISM AND THE ENTIRE TOURISM INDUSTRY HERE IN OLYMPIA TODAY ARE GRATEFUL FOR THE PORT'S PARTNERSHIP IN RECENT YEARS AND WE THANK YOU FOR YOUR CONTINUED SUPPORT. THANK YOU. THANK YOU SO MUCH. ALL RIGHT, MOVING ON TO ANOTHER IN PERSON COMMENTATOR, STEVEN LINDSTROM IN THE ROOM. ALL RIGHT, STEPHEN, IF YOU COULD STATE YOUR FULL NAME AND THE TOPIC RELATED TO THE PORT. GO AHEAD. MY NAME IS STEPHEN LINDSTROM AND I WAS RETIRED FROM THE PORT 16 MONTHS AGO BECAUSE OF YOUR HB 57 26 DON'T GET THE SHOT THING. I'M NOT GOING TO TALK ABOUT THAT RIGHT NOW BECAUSE IT STILL IS VERY EMOTIONAL TO ME. WHAT I AM GOING TO ASK IS DO YOU GUYS CARE ABOUT SAVING MONEY? I WORKED IN THE BOILER ROOM. AND YOUR WATER TREATMENT ON YOUR BOILERS, NUMBER ONE, YOUR BOILERS AT THE AIRPORT ARE 70 YEARS OLD. THE WATER TREATMENT IS BAD AND THE LAST TIME THEY DID AN OPENING THAT I WAS THERE, THERE WAS A 16TH OF AN INCH OF STUFF INSIDE THE TUBES. AND WHEN YOU HAVE THAT INSIDE THE TUBES, IT INSULATES THE TUBES, AND YOU LOSE 15% TO 20% EFFICIENCY. SO YOU'RE TALKING ABOUT 20% OF MORE GAS 24 HOURS A DAY, SEVEN DAYS A WEEK THAT YOU'RE LOSING BECAUSE YOU DIDN'T CLEAN IT WELL ENOUGH, AND IT DOESN'T COST THAT MUCH FOR WATER. THE SECOND THING, YOUR COOLING. I WAS A BOILER OPERATOR. I KNOW I FIXED STUFF FOR SIX YEARS. THERE YOUR COOLING SYSTEM. IT RUNS ON A MULTIMILLION DOLLAR COMPUTER PROGRAM, BUT THE PROGRAM IS ONLY AS GOOD AS THE NUMBERS GOING INTO IT. THEY HAVE NOT IN SIX YEARS THAT I KNOW OF, CALIBRATED THEIR FLUID METERS. SO YOU GET BAD NUMBERS GOING IN, YOU USE MORE ELECTRICITY. PRETTY SIMPLE. AND THAT WON'T COST. THE SAVINGS ON THAT WILL BE HUGE COMPARED TO WHAT IT WOULD COST TO FIX IT. AND THE THIRD THING THAT I'M GOING TO BRING UP IS THAT YOU HAVE A DA TANK, WHICH IS A DE AERATING TANK THAT GOES TO YOUR BOILERS. THEY'RE SUPPOSED TO BE OPEN AND INSPECTED EVERY YEAR BECAUSE THEY HAVE PRESSURE ON THEM, AND IF THEY GO BAD, THEY EXPLODE AND PEOPLE GET HURT OR KILLED. THAT DA TANK WAS NEVER

OPENED FOR THE SIX YEARS THAT I WAS THERE AND ANOTHER 15 YEARS BEFORE THAT. SO ALL I'M SAYING IS THAT IS A SAFETY CONCERN. WE BROUGHT THIS UP TO THE MANAGERS, BUT THEY DIDN'T DO ANYTHING ABOUT IT. SO HERE I AM AT THE PORT. THANK YOU, STEVEN. SO MAYBE YOU CAN KEEP SOMEBODY FROM GETTING KILLED THAT I WORKED WITH. THANK YOU, STEVEN. OUR NEXT SPEAKER IS VIRTUAL IS JAMES JENNINGS. ALL RIGHT. GOOD AFTERNOON. YES. EXECUTIVE DIRECTOR METRUCK, PRESIDENT CHO AND COMMISSIONERS. MY NAME IS JAMES JENNINGS, OR JJ, AS SOME WITHIN THE PORT MELMIEVS HERE TO SPEAK IN REGARDS TO THE PORT'S HR 34 AND EX 29 POLICIES FOR THE BENEFIT OF COMMISSIONERS HASEGAWA AND MOHAMMED, WHO HAVE NOT YET HAD THE PLEASURE TO MEET. I'D LIKE TO PROVIDE A LITTLE BIT OF BACKGROUND. I WAS A PORT EMPLOYEE FOR 26 YEARS, HAVING A BIT OF A CINDERELLA STORY CAREER, STARTING AS A COLLEGE INTERN AND FINISHING AS THE DIRECTOR OF AVIATION, BUSINESS AND PROPERTIES. AS A SAMPLE OF MY WORK, I STOOD BEFORE COMMISSIONERS, MANY HERE TODAY, LAYING THE GROUNDWORK FOR MANY MAJOR SEATAC INTERNATIONAL AIRPORT CAPITAL PROJECTS, MOST NOTABLY THE CONCOURSE SEA EXPANSION PROJECT, SEA GATEWAY PROJECT, AND CONCOURSE EXPANSION FOR AIRPORT LOUNGES. I'M NOT SURE IF IT'S COMMONLY KNOWN, BUT I'M ONE OF THE EMPLOYEES THAT WAS QUIETLY TERMINATED WHEN THE PORT INSTITUTED ITS HR 34 POLICY REQUIRING VACCINATION, HAVING RECEIVED NO ACCOMMODATION FOR MY SINCERELY HELD RELIGIOUS BELIEFS. BUT I'M NOT HERE TODAY TO TREAD OUT SOUR GRAPES OR ASK FOR MY JOB BACK. IN FACT, I'VE WORKED VERY HARD TO MOVE ON FROM MY PORT EMPLOYMENT. CURRENTLY WORKING WITH MY WIFE IN A SMALL AIRPORT CONSULTING BUSINESS CALLED TWO J CONSULTING. BUT ONE CHALLENGE WE'RE HAVING IS THAT WE'RE NOT CURRENTLY ALLOWED TO WORK ON SITE AT PORT FACILITIES DUE TO OUR VACCINATION STATUS. THIS LIMITS OUR ABILITY TO POTENTIALLY COMPETE FOR WORK AND LIMITS US EXCLUSIVELY TO VIRTUAL WORK. BUT EVEN MORE IMPORTANT IS THE FACT THAT NOT EVERYONE WHO IS TERMINATED HAS FARED AS WELL AS I. YOU MAY HEAR FROM SOME OF THEM TODAY. AS I UNDERSTAND, THERE ARE OTHERS THAT MAY BE PUBLICLY SPEAKING, SOME ARE BETTER. SOME CONTINUE TO STRUGGLE TO FIND WORK. SOME AREN'T CURRENTLY ALLOWED TO RECOMPETE FOR THEIR JOBS BACK AT THE PORT, WHICH FEELS DISCRIMINATORY IN LIGHT OF THE CURRENT COVID-19 CLIMATE AND EVIDENCE. SO I'M HERE TODAY TO ASK THE PORT, WHY IS IT? WHY HAVE YOU NOT RETRACTED OR SIGNIFICANTLY MODIFIED YOUR VACCINATION REQUIREMENTS FOR BOTH EMPLOYEES AND CONTRACTORS, BOTH HR 34 AND EX 29? CLEARLY, THE BODY OF EVIDENCE AND THE PRACTICAL, POLITICAL AND SCIENTIFIC JUSTIFICATIONS THAT UNDERPIN THE DEVELOPMENT OF THOSE POLICIES HAS DISSOLVED. WE KNOW UNVACCINATED EMPLOYEES AND CONTRACTORS ARE NO GREATER RISK TO THE EMPLOYEE POPULATION. AND POLITICALLY, PRESIDENT BIDEN HAS LONG GIVEN UP ON AYE. FEDERAL CONTRACTOR REQUIREMENTS. AND KING COUNTY AND SEATTLE HAVE ALL RETRACTED THEIR REQUIREMENTS. AND SCIENTIFICALLY,

EVEN THE CDC NOW RECOGNIZE YOUR TIME IS UP. COULD YOU CONCLUDE FOR US? YES, I WILL. I JUST IMPLORE YOU TO CONSIDER RETRACTING OR SIGNIFICANTLY MODIFYING HR 34 AND EX 29 TO ALIGN WITH THE CURRENT COVID-19 CLIMATE AND EVIDENCE. THANK YOU. THANKS, JJ. IT'S GOOD TO SEE YOU. OUR NEXT PUBLIC SPEAKER IS DR. ELIZABETH BURTON.

ALL RIGHT, DR. BURTON, IF YOU COULD STATE YOUR FULL NAME AND THE TOPIC FOR THE RECORD, AND THEN WE'LL START THE CLOCK. THANK YOU. GOOD AFTERNOON. I'M DR. ELIZABETH BURTON, COMMENTING ON ITEM EIGHT L THE INTERNATIONAL TOURISM MARKETING INITIATIVE. AT PAST PRESENTATIONS ON THIS TOPIC, I HAVE NEVER HEARD ANY COMMISSIONER ASK, HOW WILL THIS PROPOSED INCREASE IN INTERNATIONAL TOURISM AFFECT OUR ABILITY TO MEET OUR EMISSIONS GOALS? SPECIFICALLY, OUR GOAL TO REDUCE SCOPE THREE EMISSIONS, 50% BY 2030. HOW MANY ADDITIONAL TONS OF GREENHOUSE GASES WILL THIS PUT INTO THE ATMOSPHERE? FOR EVERY DECISION YOU MAKE, YOU NEED TO ASK, WILL THIS HELP TO SOLVE THE CLIMATE CRISIS, OR WILL IT MAKE THE CLIMATE CRISIS WORSE? INCREASING INTERNATIONAL TOURISM WILL MAKE THE CLIMATE CRISIS WORSE. I WOULD LIKE YOU TO TAKE THIS ITEM OUT OF THE CONSENT AGENDA, DISCUSS IT FURTHER, AND VOTE IT DOWN. THE IPCC HAS DETERMINED THAT IN ORDER TO HAVE A CHANCE OF LIMITING GLOBAL WARMING TO 1.5 DEGREES, EACH PERSON ON EARTH CAN EMIT NO MORE THAN ONE AND A HALF TONS OF GREENHOUSE GASES PER YEAR. EACH PASSENGER ON A SINGLE ROUND TRIP FLIGHT FROM SYDNEY, AUSTRALIA TO SEATTLE EMITS 7.6 TONS OF GREENHOUSE GASES, FIVE TIMES THE AMOUNT THAT'S COMPATIBLE WITH 1.5 DEGREES OF WARMING. YOU NEED TO BE AWARE OF THIS. IT NEEDS TO BE PART OF THE DISCUSSION. THE LAST SLIDE IN TODAY'S PRESENTATION CLAIMS THAT PROMOTING INTERNATIONAL TOURISM BENEFITS ALL WASHINGTON RESIDENTS. I. DON'T THINK THE HUNDREDS OF WASHINGTON RESIDENTS AND BILLIONS OF SEA CREATURES WHO DIED IN THE 2021 HEAT DOME WOULD AGREE WITH THAT. NOR THE WASHINGTON CHERRY, WHEAT AND ONION FARMERS WHO LOST THEIR CROPS THAT YEAR, NOR THE WINERIES WHOSE CROPS WERE RUINED BY WILDFIRE SMOKE. IN FACT, THE CLIMATE IMPACT OF INTERNATIONAL TOURISM HARMS ALL LIVING THINGS ON EARTH. IT IS PAST TIME THAT YOU FIND A LESS DESTRUCTIVE WAY TO PROMOTE PROSPERITY AND WELL BEING IN THIS REGION. THANK YOU. THANK YOU, DR. BURTON. OUR NEXT SPEAKER IS ACTUALLY KATHLEEN MORIARTY. WE'VE ACTUALLY RUN OUT OF VIRTUAL SPEAKERS, SO KATHLEEN IS NEXT. HI, I'M KATHLEEN MORIARTY. I WORKED AT THE PORT FOR 18 AND A HALF YEARS UNTIL 16 MONTHS AGO WHEN YOU TERMINATED ME FOR NOT FOLLOWING YOUR COMPLIANCE RULES. THE PORT OF SEATTLE LOVES TO TALK A BIG GAME ABOUT THE IMPORTANCE OF DIVERSITY AND INCLUSION. YET, GIVEN THE CHANCE, YOU LITERALLY CREATED A NEW CLASS OF PEOPLE TO DISCRIMINATE AGAINST. YOUR PROPAGANDA REGARDING THE PANDEMIC OF THE UNVACCINATED WAS EFFECTIVE IN CREATING AND SPREADING FEAR AGAINST PEOPLE WHO BELIEVE IN THE POWER OF GOD, IN THEIR NATURAL

IMMUNITY TO PROTECT THEIR HEALTH. EVEN WORSE, AGAINST PEOPLE WHO HAVE MEDICAL CONDITIONS THAT AREN'T ALLOWED TO GET VACCINATED. YOU USED COERCION AND BRIBERY TO FORCE PEOPLE TO TAKE AN UNWANTED, NOT FULLY APPROVED INJECTION OR LOSE THEIR LIVELIHOOD. YOUR LACK OF ACCOMMODATIONS FOR THOSE WHO SUBMITTED RELIGIOUS AND MEDICAL EXEMPTIONS DUE TO A PERCEIVED UNDUE HARDSHIP THAT WOULD NEGATIVELY IMPACT WORKPLACE SAFETY AND POSE A THREAT TO THE HEALTH AND SAFETY OF EMPLOYEES WAS AND REMAINS HYPOTHETICAL. TO ASSUME AN UNVACCINATED PERSON IS MORE CONTAGIOUS THAN A VACCINATED PERSON WITHOUT ANY MEDICAL EVALUATION OR DIAGNOSIS, HAS NO MERIT, AND HAS PROVEN TO BE FALSE. IN FACT, IN AN EMAIL FROM STEVE METRUCK DATED JANUARY 26, 2022, YOU ARE CANCELING ALL IN PERSON MEETINGS BECAUSE, TO QUOTE, SO FAR IN JANUARY, WE ARE SEEING NEARLY AS MANY EMPLOYEE COVID POSITIVE CASES AND EPISODES OF PERSON TO PERSON TRANSMISSIONS IN THE WORKPLACE AS WE EXPERIENCED IN ALL OF 2021. SO OVER TWO MONTHS AFTER YOU FIRED ALL UNINVACCINATED EMPLOYEES, YOUR COVID INFECTIONS WERE HIGHER THAN EVER. NOT SURPRISING GIVEN EMAILS RELEASED THROUGH FOIA SHOW THAT WASHINGTON STATE PUBLIC OFFICIALS, HEALTH OFFICIALS KNEW THE VACCINES DID NOT STOP TRANSMISSION AND SHOWED THAT VACCINATED PEOPLE ARE MORE CONTAGIOUS THAN UNVACCINATED. FAST FORWARD TO TODAY WITH YOUR CONTINUED NEED OF THE VACCINE MANDATE WHEN EVERYONE ELSE IS DROPPING THEIRS, STATING IN A FEBRUARY 8 EMAIL YOU WILL CONTINUE TO KEEP AN EYE ON LOCAL, STATE AND NATIONAL CHANGES TO COVID-19 POLICIES AND CONTINUE TO REVIEW YOUR MITIGATION STRATEGIES AND POLICIES, KEEPING THE KEY OBJECTIVE OF ENSURING THE SAFETY AND HEALTH OF YOUR WORKFORCE. WHAT SCIENCE ARE YOU FOLLOWING THAT IS DIFFERENT THAN EVERYONE ELSE'S? WE ARE HERE TO PUT YOU ON NOTICE THAT WHAT YOU DID AND CONTINUE TO DO IS NOT ONLY ILLEGAL, BUT WAS ALSO IMMORAL. WE WILL NOT GO AWAY UNTIL YOU ARE HELD ACCOUNTABLE. THANK YOU, KATHLEEN. I BELIEVE THE NEXT SPEAKER IS GAIL. I'M SORRY, THIS HANDWRITING IS A LITTLE HARD. EARL GAIL? YEAH, GO AHEAD. FOR THE RECORD, THAT LAST NAME IS ABE. ABE. GAIL ABE. OKAY. YEAH. IF YOU COULD JUST RESTATE THE NAME FOR THE RECORD AND YOUR TOPIC. THANK YOU SO MUCH. MY NAME IS GAIL ABE. I'M ALSO HERE BECAUSE I WAS FIRED FROM THE PORT FOR NOT TAKING THE JAB. AND I JUST HAVE A FEW THINGS TO SAY. IT'S LIKE YOU'RE SO POOR. MY BODY, MY CHOICE. IF I'M GOING TO BE PREGNANT AND ABORT A BABY, KILL IT. THAT'S GOOD. IT'S OKAY. BUT IF I DON'T WANT TO TAKE SOME POISONS IN MY BODY, I CAN'T WORK FOR THE PORT ANYMORE. I WAS THERE FOR ELEVEN YEARS AS A MECHANIC. I WORKED HARD. I GOT MY JOB DONE. I HAD A GREAT TIME BEING THERE. I LOVED IT. LOVED THE PEOPLE YOU TALK ABOUT WOMEN'S MONTH AND OUR RIGHTS, QUALITY OF LIFE. YOU TRY TO PUT FEAR INTO US. IF YOU DON'T TAKE THE JOB, YOU'RE GOING TO LOSE

YOUR JOB. GUESS WHAT? DIDN'T TAKE THE JAB. I'VE NEVER HAD COVID, AND I HAVE A GREAT JOB NOW. SO GOD BLESS YOU ALL, AND GOD IS IN CONTROL. THANK YOU, GAIL. NEXT SPEAKER IS WILEY DURESSON. HEY, EVERYONE. MY NAME IS WILEY DURSON AND I AM HERE ON BEHALF OF MY FRIENDS WHO WERE TERMINAL BECAUSE OF THE VACCINE MANDATES IN NOVEMBER OF 2021. I DIDN'T EVEN KNOW WHAT THE PORT OF SEATTLE WAS. SINCE THEN, I'VE GOTTEN TO KNOW SOME OF YOUR FORMER EMPLOYEES. THEY ARE AMONG THE BRAVEST AND MOST THOUGHTFUL PEOPLE I KNOW. THEY ARE TRULY UNSUNG HEROES WHO ENSURE OUR MODERN SOCIETY FUNCTIONS. MY QUESTION IS, WHY WOULD YOU DENY THEM EMPLOYMENT FOR NOT PARTICIPATING IN AN EXPERIMENTAL MEDICAL TREATMENT, ESPECIALLY NOW THAT THE PUBLIC HEALTH GUIDANCE HAS BEEN ABANDONED AS INEFFECTIVE? I'M CONCERNED THAT THE CAPRICIOUS DECISIONS MADE BY THE PORT TO DENY THESE EMPLOYEES WORK WILL HAVE CONSEQUENCES FOR THE VITAL SERVICES THEY PROVIDE TO ENSURE THAT OUR COMMUNITY FUNCTIONS. THAT'S ALL I HAVE TODAY. THANK YOU.

THANK YOU, WILEY. SO THAT CONCLUDES OUR SIGN UPS TODAY. IS THERE ANYONE ELSE PRESENT ON THE TEAM'S CALL OR PRESENT IN THE ROOM TODAY WHO DIDN'T SIGN UP? WHO WISHES TO ADDRESS THE COMMISSION? IF SO, PLEASE STATE AND SPELL YOUR NAME AND STATE THE TOPIC RELATED TO THE CONDUCT OF THE PORT YOU WISH TO SPEAK ABOUT FOR THE RECORD. ALL RIGHT, SEEING NONE AT THIS TIME, I'LL ASK THE CLERK TO PLEASE GIVE A SYNOPSIS OF ANY WRITTEN COMMENTS WE MAY HAVE RECEIVED. PARDON ME. THANK YOU. MR. COMMISSION PRESIDENT. MEMBERS OF THE COMMISSION. MR. EXECUTIVE DIRECTOR. WE'VE RECEIVED ONE WRITTEN COMMENT TODAY FROM ROBIN BRIGGS, SEATTLE RESIDENT, WHO URGES AGAINST THE APPROVAL OF AGENDA ITEM EIGHT L STATING THAT THERE IS NO NEED TO ADVERTISE TO TOURISTS, CITING ENVIRONMENTAL CONCERNS AND ADVOCATES, ALTERNATIVELY, FOR FUNDING FOR OFFSHORE WINDMILLS TO INCREASE CLEAN ELECTRICAL CAPACITY AND LOCAL HIGH WAGE JOBS. AND THAT CONCLUDES THE WRITTEN COMMENTS RECEIVED TODAY. GREAT. THANK YOU, CLERK HART. NO FURTHER PUBLIC TESTIMONY. WE'LL MOVE ON TO THE CONSENT AGENDA.

ALL RIGHT. ITEMS ON THE CONSENT AGENDA ARE CONSIDERED ROUTINE AND WILL BE ADOPTED BY ONE MOTION. ITEMS REMOVED FROM THE CONSENT AGENDA MAY BE CONSIDERED SEPARATELY IMMEDIATELY AFTER ADOPTION OF THE REMAINING CONSENT AGENDA ITEMS. AT THIS TIME, THE CHAIR WILL ENTERTAIN A MOTION TO APPROVE THE CONSENT AGENDA COVERING ITEMS 8-A, 8-B, 8-C, 8-D, 8-E, 8-F, 8-G, 8-H, 8-I, 8-J, 8-K, 8-L, 8-M, 8-N. DO I HAVE A MOTION?

MR. PRESIDENT, I MOVE WE REMOVE ITEM EIGHT L FROM THE CONSENT AGENDA. OKAY. A MOTION IS MADE TO REMOVE EIGHT L.

SECOND. OKAY. IT'S BEEN SECONDED. ANY OTHERS? CAN I ASK A CLARIFYING QUESTION OF THE CLERK? I KNOW IN RECENT CORRESPONDENCE YOU SHARED WITH US THAT THERE WOULD BE A MOMENT AHEAD OF THE VOTE ON CONSENT AGENDA TO COMMENT ON ITEMS THAT DON'T NECESSARILY REQUIRE BEING PULLED. CORRECT. IS THAT THIS MOMENT, OR AFTER WE GET

A FIRST AND A SECOND ON THE ENTIRE CONSENT AGENDA, WE CAN COMMENT ON IT? THAT IS CORRECT. I'LL HOLD MY COMMENTS TO THAT. OKAY. THERE IS A MOTION ON THE FLOOR TO REMOVE EIGHT L.
RIGHT. SO I JUST WANT TO CLARIFY, IS THAT BECAUSE YOU HAVE QUESTIONS FOR STAFF, OR IS IT BECAUSE YOU WANT TO SPEAK TO IT? BOTH.
OKAY. AND JUST FOR CLARIFICATION PURPOSES, PULLING SOMETHING FROM THE CONSENT AGENDA DOESN'T REQUIRE A MOTION TO DO THAT. SO WE CAN REMOVE IT EITHER AT APPROVAL OF AGENDA OR AT THIS STAGE.
GREAT. SO CAN I GET A MOTION TO APPROVE THE CONSENT AGENDA AS AMENDED? SECOND. ALL RIGHT. IT WAS FIRST AND SECONDED. COMMISSIONERS, PLEASE SAY AYE OR NAY WHEN YOUR NAME IS CALLED.
CAN I MAKE A COMMENT BEFORE WE YES. I KNOW THAT THERE HAS BEEN ON THE ITEM EIGHT J. I WANT TO SPEAK TO THAT BECAUSE THERE'S BEEN SOME PUBLIC DISCUSSION AROUND THIS TOPIC. AND I WOULD REFER THE PUBLIC TO THE ORIGINAL PASSAGE OR APPROVAL BY THE COMMISSION OF THIS PROJECT BECAUSE I THINK SOME OF THE QUESTIONS THAT CAME UP THIS TIME WERE THE VERY SAME QUESTIONS THAT CAME UP THE FIRST TIME. AND THERE HAS NOT BEEN A MATERIAL CHANGE IN THE PROJECT THAT WE APPROVED INITIALLY, WHICH IS WHY I DON'T FEEL IT'S NECESSARY TO PULL FROM CONSENT AND RELITIGATE THAT. I DO THINK THERE WAS A LOT OF MISCONCEPTIONS IN THE PUBLIC DISCUSSION THAT I WAS A PART OF AROUND THIS PROJECT, IN PARTICULAR, AS IT RELATES TO SOME OF THE COROLLARY ATTRIBUTES OF THIS PROJECT. AND SO I WOULD REFER FOLKS BACK TO THAT INITIAL CONVERSATION, AND MAYBE STAFF COULD PROVIDE THE EXACT DATE OF THAT, BECAUSE I THINK THERE'S GOOD FOUNDING DOCUMENTS THERE IN PARTICULAR AROUND OTHER EFFORTS THAT WE'RE MAKING WITH REGARD TO MODE SHIFT IN OUR GROUND TRANSPORTATION ACCESS PLAN, WHICH IS WHY I'M COMFORTABLE WITH THIS REMAINING ON CONSENT. EXCELLENT. THANK YOU FOR THOSE COMMENTS. ANY OTHER COMMENTS FROM COMMISSIONERS BEFORE WE TAKE A VOTE? I DO.
COMMISSIONER FELLEMAN.
THANK YOU. I WAS JUST WONDERING AT SOME POINT IN TIME I'D LOVE TO HAVE WHEN WE'RE TALKING ABOUT THIS ROADWAY CONVERSATION IN THE FUTURE, THAT WE TALK ABOUT OPPORTUNITIES WHEN WE MIGHT BRING THE LIGHT RAIL STATION OR THE ACCESS FACILITATE. THE ACCESS OF LIGHT RAIL EITHER THROUGH THIS MOVING SIDEWALKS WE'VE TALKED ABOUT FOR YEARS AND SEEMED TO ME THAT THIS WOULD HAVE BEEN AN OPPORTUNITY. BUT I DO WANT TO JUST POINT OUT THAT ITEM EIGHT B, IT'S A SIGNIFICANT SUM OF MONEY WE'RE TALKING ABOUT FOR UPDATING OUR HVAC SYSTEM. I'M SORRY, IT IS NOT THAT ONE.
I'M SORRY. THAT WAS EIGHT K.
THANK YOU. IT DOES SAY IN THE MEMO THAT WE'RE GOING TO LOOK AT POTENTIAL SAVINGS FOR GREENHOUSE GAS EMISSIONS AND OTHER CONSIDERATIONS LIKE THAT. AND I WAS JUST HOPING THAT THAT PROCESS WOULD INCLUDE

THE FORMAL REVIEW OF THE SUSTAINABLE EVALUATION FRAMEWORK IN WHICH THE COMMISSION COULD HAVE A CHANCE TO REVIEW OPTIONS IN WHICH WE COULD PUT IN PERHAPS MORE EFFICIENT SYSTEMS THAN WOULD BE JUST CODE MEETING OPPORTUNITIES. SO IT WAS VAGUE IN THE MEMO AS TO WHETHER IT WOULD TRIGGER THE SUSTAINABLE EVALUATION FRAMEWORK. WHILE IT DID ACKNOWLEDGE THE FACT THAT THIS WILL BE LOOKED AT, I'M JUST ASKING THAT WE GIVE IT A FULL EVALUATION. GREAT. THANK YOU.
COMMISSIONER FELLEMAN. COMMISSIONER CLERK, GO AHEAD AND CALL THE ROLL.

THANK YOU. BEGINNING WITH COMMISSIONER COGGINS FOR APPROVAL OF CONSENT AGENDA. AYE. THANK YOU. COMMISSIONER FELLEMAN. AYE. THANK YOU.
COMMISSIONER HASEGAWA. AYE. THANK YOU. COMMISSIONER MOHAMMED AYE. THANK YOU. AND COMMISSIONER CHO. AYE. THANK YOU. FIVE AYES IS ZERO NAYS FOR THIS ITEM. EXCELLENT. THANK YOU VERY MUCH. AND NOW WE WILL MOVE ON TO CONSIDERING THE ITEM THAT WAS PULLED FROM CONSENT, WHICH WAS ITEM EIGHT, L METRUCK. OR IF YOU WANT TO INTRODUCE THE ITEM, CLERK HART. AND THEN WE'LL HAVE STEVE METRUCK INTRODUCE IT. THANK YOU. I'LL GO AHEAD AND READ THAT INTO THE RECORD. JUST ONE MOMENT TO GET THERE.

THIS IS ITEM EIGHT L AUTHORIZATION FOR THE EXECUTIVE DIRECTOR TO APPROVE A CONTRACT WITH STATE OF WASHINGTON TOURISM DESIGNATED FOR COLLABORATIVE INTERNATIONAL TOURISM MARKETING EFFORTS IN THE AMOUNT OF \$800,000. WE DO HAVE A PRESENTATION IF IT'S WANTED, MR. EXECUTIVE DIRECTOR, YOU'LL HAVE TO LET US KNOW.
COMMISSIONER, ESTABLISHING INTERNATIONAL TOURISM IS A TOP PRIORITY FOR THE PORT OF SEATTLE AND ITS PARTNERS LIKE VISIT, SEATTLE AND THE STATE OF WASHINGTON. THIS ACTION WILL ACTIVATE ADDITIONAL MARKETS IN ASIA, FRANCE AND THE NORDICS, WITH POTENTIAL ACTIVATION IN INDIA, MEXICO AND SOUTH AMERICA AS WELL. PRESENTERS THIS AFTERNOON ARE DAVE MCFADDEN, MANAGING DIRECTOR, ECONOMIC DEVELOPMENT DIVISION, AND NICK LEONTI, DIRECTOR OF TOURISM DEVELOPMENT. SO WE CAN EITHER GO THROUGH THE PRESENTATION OR ANSWER COMMISSIONER QUESTIONS, WHICHEVER COMMISSIONER WOULD LIKE. THE COMMISSIONERS HAVE QUESTIONS OFF THE TOP.
ALL RIGHT. WE'RE GOING TO GO THROUGH THE PRESENTATION, IT SEEMS. GO AHEAD. GOOD AFTERNOON, COMMISSIONERS. GOOD AFTERNOON, EXECUTIVE DIRECTOR METRUCK. TODAY WE'RE ASKING FOR AUTHORIZATION FOR SOME CONTRACTS THAT WILL SUPPORT INTERNATIONAL TOURISM MARKETING. AND LET'S GO TO THE NEXT SLIDE, PLEASE. SO, AS SOME OF OUR CALLERS, ESPECIALLY DAVE BLANFORD WITH THE STATE OF WASHINGTON TOURISM, SAID, WELL, WE'VE SEEN SOME RECOVERY IN THE TOURISM INDUSTRY. WE'VE SEEN A BOUNCE AT SEA, WE'VE SEEN A LIFT AT OUR CRUISE TERMINAL. BUT THE FOLKS THAT HAVEN'T QUITE SHOWN UP ARE INTERNATIONAL TRAVELERS AND VISITORS. THE STATS CLEARLY SHOW THAT THEIR VISITATION IS STILL WAY DOWN COMPARED TO PREVIOUS PANDEMIC. I THINK YOU PROBABLY UNDERSTAND THERE ARE MANY REASONS FOR THAT. BUT

WHAT WE SEE IS AN UPSIDE OPPORTUNITY. WE DO SEE A BOUNCE. WE'RE SEEING VISITORS START COMING FROM CHINA AND OTHER PLACES THAT HAVE REALLY BEEN SHUT DOWN, NOT VISITING FOR THE LAST THREE YEARS. SO WE WANT TO TAKE ADVANTAGE OF THAT MOMENTUM AND GET OUT AND PRIME THE PUMP AND SELL THE OPPORTUNITY OF VISITING WASHINGTON STATE, SEATTLE, FLYING THROUGH SEA AND GETTING ON ONE OF OUR CRUISE SHIPS OR ONE OF OUR PARTNERS CRUISE SHIPS. SO WITH THAT, WHAT I'D LIKE TO DO IS REALLY TURN IT OVER TO MY TOURISM DEVELOPMENT DIRECTOR, NICK LEONI, WHO CAN PROVIDE SOME MORE DETAILS. HELLO, COMMISSION, THANKS FOR HAVING US HERE. ALWAYS HAPPY TO TALK TOURISM. IF WE GO TO THE NEXT SLIDE, PLEASE. WELL, THIS IS ABOUT REESTABLISHING THAT INTERNATIONAL MARKET. SEE THE SECOND BULLET POINT HERE, THAT INTERNATIONAL PASSENGERS ARE STILL 24% BELOW 2019 NUMBERS. AND THIS AGREEMENT WITH STATE OF WASHINGTON TOURISM WILL ALLOW US TO STRENGTHEN THAT BRAND AND GET BACK WHERE WE NEED TO BE IN INTERNATIONAL TOURISM BECAUSE WE WON'T SEE A FULL RECOVERY OF THE TOURISM ECONOMY UNTIL INTERNATIONAL VISITORS RETURN. WE CAN GO TO THE NEXT SLIDE, PLEASE. AGAIN, WE CAN GO OVER THE IMPORTANCE OF INTERNATIONAL VISITORS TO A DESTINATION. THEY VISIT LONGER. THEY VISIT DESTINATIONS THROUGHOUT THE STATE. THEY HAVE THOSE NICE LONG VACATION TIMES WHERE THEY CAN ACTUALLY DO A CRUISE HERE IN SEATTLE AND SPEND TIME BEFORE OR AFTER THEIR CRUISE AND EXPLORE THE ENTIRE STATE AND REGION. THEY VISIT DURING OFF PEAK TIMES, INCLUDING WEEKDAYS AS OPPOSED TO WEEKENDS. THEY VISIT URBAN AND RURAL AREAS AND THEY HELP SUPPORT THOSE IMPORTANT NONSTOP ROUTES TO OUR AIRPORT. NEXT SLIDE, PLEASE. SO, IN PARTNERSHIP WITH THE STATE AND VISIT SEATTLE, WE'RE EVALUATING MARKETS ALL THE TIME AND THESE ARE OUR CRITERIA FOR PRIORITIZING THOSE MARKETS. RIGHT NOW WE HAVE REPRESENTATION IN THE UK, GERMANY, AUSTRALIA, BUT THAT'S REALLY JUST A FOUNDATIONAL LEVEL. WE NEED TO BE ABLE TO EXPAND THAT TO MAKE A DIFFERENCE HERE. SO AS WE'RE EVALUATING MARKETS, WE'RE LOOKING AT THOSE DIRECT FLIGHTS, WE'RE LOOKING AT THE IMPACT THAT BUSINESS TO BUSINESS MARKETING HAS BECAUSE THAT'S OUR MAIN FOCUS, IS WORKING WITH THE TRAVEL TRADE AND TRAVEL MEDIA TO DRIVE THAT VISITATION. THE PROFILE OF THE VISITORS THERE, WHAT IS THAT TIME OFF? WHAT'S THEIR DISPOSABLE INCOME? DO THEY SHARE THE PASSION FOR RESPONSIBLE TRAVEL THAT WE'RE LOOKING TO ENCOURAGE HERE IN OUR STATE. OBVIOUSLY, JUST THE SIZE OF THE COUNTRIES, THE AFFINITY FOR THE US TRAVEL. WE LOOK AT THE CRUISE MARKET FOR THOSE REGIONS. IN ADDITION TO VISA WAIVER STATUS, THERE ARE VISA WAIVER COUNTRIES THAT IT'S EASIER TO GET IN WITH JUST YOUR PASSPORT. WE SEE PLACES LIKE IN INDIA RIGHT NOW WHERE IT CAN BE UP TO A TWO YEAR WAIT JUST TO HAVE AN INTERVIEW FOR YOUR VISA, WHICH OBVIOUSLY CAN IMPACT SOMEONE'S VACATION PLANNING AND OUR ABILITY TO WORK WITH THEM AND ENCOURAGE THEM TO COME. SO WE

LOOK AT ALL THOSE FACTORS WHEN WE'RE LOOKING AT WHICH COUNTRIES WE SHOULD BE FOCUSING ON. NEXT. NEXT SLIDE, PLEASE. SO YOU CAN SEE WHERE WE ARE PRIORITIZED MARKETS HERE, UK AND IRELAND, GERMANY. AS LIZ JOHNSON MENTIONED IN HER TWO MINUTES, WE JUST STARTED REPRESENTATION IN AUSTRALIA. IN PARTNERSHIP WITH THEM. WE'RE LOOKING AT JAPAN, SOUTH KOREA, CHINA, FRANCE, BENELUX, AND THERE ARE ADDITIONAL REGIONS BEYOND THIS. OBVIOUSLY, WHEN WE'RE LOOKING AT THOSE CRITERIA, IF THEY CAN ELEVATE UP TO THIS, WE WILL BE HAPPY TO PUT OUR EFFORTS IN THERE WHERE WE CAN SEE SOME ROI. AND AGAIN, WE'RE WORKING WITH MAINLY TRAVEL, TRADE AND TRAVEL MEDIA. THERE WILL BE A LITTLE BIT OF CONSUMER EFFORT HERE, BUT WE REALLY SEE THAT IMPACT COMES THROUGH WORKING WITH THE TRAVEL TRADE IN A B TO B FASHION. NEXT SLIDE, PLEASE. SO THESE ARE OUR PRIORITIES IN WORKING WITH THE STATE. OBVIOUSLY THE STATE THAT OFFICE DIDN'T EXIST FOR A WHILE AND NOW THEY ARE FINDING THEIR WAY IN BUILDING THAT BRAND INTERNATIONALLY. AND THAT'S WHAT'S SO IMPORTANT ABOUT WORKING TOGETHER WITH THEM AND WITH VISIT SEATTLE IS TO BUILD UP THAT BRAND AND TO NOT BE COMPETING WITH EACH OTHER IN THESE INTERNATIONAL MARKETS. SO THAT'S THE TOP OF THIS LIST IS TO GET THOSE FOUNDATIONAL PIECES IN AS A PARTNERSHIP WITH THE OTHER IMPORTANT ORGANIZATIONS THAT HAVE A GLOBAL REACH IN OUR REGION. WE'RE FOCUSED ON EDUCATION OF THE TRAVEL TRADE, KEEPING WASHINGTON STATE AND SEATTLE AS A TOP OF MIND DESTINATION. AND OF COURSE, WE WANT TO INSPIRE VISITATION TO OUR AREA AND REFLECT THE DIVERSITY AND INCLUSIVITY OF WASHINGTON IN EVERYTHING THAT WE DO. NEXT SLIDE, PLEASE. SO THE SCOPE OF WORK LOOKS PRETTY SIMPLE HERE. THERE'S A LOT OF WORK IN THESE BULLET POINTS. NICE THAT IT FITS ON ONE SLIDE. OBVIOUSLY A LOT OF STRATEGY, COMMUNICATION. WE'LL BE IN REGULAR MEETINGS WITH THE STATE REGARDING THESE FUNDS AND VISITS AT SEATTLE. AGAIN, WE MENTIONED THE IN MARKET REPRESENTATION. THAT ISN'T ONE OF THE ORGANIZATIONS TAKING THE LEAD OVER THE OTHER. IT'S A TRUE PARTNERSHIP. WE MEET REGULARLY, WE STRATEGIZE TOGETHER, WE MAKE THESE DECISIONS TOGETHER AS A REGION WE CAN GO TO. THE NEXT SLIDE, PLEASE. QUICK LOOK AT WHAT THE DIFFERENCE IS, WHAT WE WOULD DO WITHOUT THIS AGREEMENT, WHAT WE DO WITH IT. SEE THE \$400,000 THERE? AND THIS WILL ALLOW US TO ENHANCE THE MARKETS THAT WE'RE ALREADY IN TO MAKE A GREATER IMPACT WHERE WE KNOW THE UK IS OUR TOP MARKET. THIS IS THE TOP MARKET IN THE US. THIS IS THE TOP MARKET IN THE WASHINGTON. AND WE CAN CONTINUE TO GET GREAT ROI OUT OF MARKETS LIKE THAT. AND WE GET ALL THIS WILL ALLOW US TO EXPAND INTO THOSE ASIA MARKETS AND FRANCE BENELUX REGION AND REALLY MAKE A DIFFERENCE AS A COLLABORATIVE PARTNERSHIP WITH THE STATE. NEXT SLIDE, PLEASE. THIS IS JUST THE CONCLUSION THAT WRAPS UP HOW GREAT IT IS TO WORK TOGETHER WITH THESE PARTNERS. EACH ORGANIZATION HAS HAD

DIFFERENT EFFORTS INTERNATIONALLY. THIS REALLY HELPS US STREAMLINE THOSE EFFORTS AND BUILD THE BRAND INTERNATIONALLY TO MAKE MAXIMUM IMPACT FOR ALL WASHINGTONIANS. GREAT. THANK YOU SO MUCH FOR THE PRESENTATION. QUESTIONS FROM COMMISSIONERS. COMMISSIONER HASEGAWA. SURE. THANK YOU SO MUCH FOR WALKING US THROUGH THIS BUDGET REQUEST. I GUESS JUST STARTING FROM THE TOP AS A PORT, TRANSPORTATION IS WHAT WE DO. WE MOVE PEOPLE AND THINGS FROM PLACE TO PLACE. AND WE BALANCE THAT WITH ALSO KNOWING THAT TRANSPORTATION SECTOR IS ONE OF THE LARGEST CONTRIBUTORS OF GREENHOUSE GAS EMISSIONS AND CARBON EMISSIONS. SO WE DO HAVE OUR DIRECTOR OF SUSTAINABILITY IN THE ROOM AS WELL. WE CAN CALL ON HER IF WE NEED TO. BUT I'M WONDERING HOW OUR TOURISM PLAN AND OUR STRATEGY BALANCES AGAINST OUR ENVIRONMENTAL GOALS. LET ME FURTHER EXPAND THAT UNDERSTANDING THAT OUR ENVIRONMENTAL GOALS ADDRESS THINGS THAT ARE DIRECTLY WITHIN OUR PURVIEW. RIGHT? SO CRUISE WOULD BE ONE EXAMPLE OF THAT. OR THINGS THAT ARE SCOPE THREE EMISSIONS AND THINGS THAT ARE NOT DIRECTLY WITHIN OUR PURVIEW, BUT THE WAYS THAT PEOPLE WOULD GET HERE IN ORDER TO ENJOY TOURISM. RIGHT. SO LIKE THE AIRLINES, I KNOW THAT WE'VE FACILITATED A NUMBER OF PUBLIC CONVERSATIONS AND CONVENTIONS ON ECOTOURISM. AND SO I'M JUST WONDERING HOW THE TWO SHOPS TALK TO EACH OTHER. I CAN TAKE AN INITIAL STAB AT THAT. I THINK YOU'VE HEARD OUR DEPARTMENT REALLY EMPHASIZE RESPONSIBLE TOURISM. THAT'S SOMETHING THAT PROBABLY WE WEREN'T TALKING ABOUT SEVERAL YEARS AGO. BUT IT'S OBVIOUSLY VERY IMPORTANT. IT'S BECOMING REALLY, I THINK, THE SET OF ETHICS THAT SHOULD GUIDE OUR MARKETING AND PROMOTIONS EFFORTS. WE SHOULD BE GUIDING PEOPLE TO RESPONSIBLY TRAVEL AND TO THOSE ECOTOURISM DESTINATIONS AND AREAS WHERE THEY ARE RESPONSIBLY MANAGED. AND YET WE CAN SHOW OFF THE BEST OF WASHINGTON STATE. AND SO THIS IS A WORK IN PROGRESS. WE PUT MORE EMPHASIS INTO OUR GRANT PROGRAMS ON THIS LEVEL. WE'RE CERTAINLY TRYING TO MARKET AND POSITION OURSELVES AS ECOLOGICALLY ORIENTED AND RESPONSIBLE AS A STATE AND AS A PORT. BUT THERE'S MORE WORK TO DO. AND I'D LIKE TO TURN IT OVER TO SANDY TO JUST PROVIDE A FEW COMMENTS TOO. I THINK SANDY KILROY, A SENIOR DIRECTOR OF ENVIRONMENT AND SUSTAINABILITY. IT'S A GREAT QUESTION AND ONE OF THE KEY STRATEGIES FOR OUR ENVIRONMENTAL PROGRAM AND OUR ULTIMATE STRATEGY AGAINST CLIMATE CHANGE AND GREENHOUSE GAS REDUCTION IS REALLY TO TRANSFORM THE INDUSTRIES. RIGHT. IT'S LOOKING HOLISTICALLY AT AVIATION AND MARITIME LIKE CRUISE AND SAYING HOW ARE WE GOING TO TRANSFORM THOSE INDUSTRIES TO REMOVE THOSE POLLUTANTS FROM THEIR OPERATIONS. SO I WOULD SAY IT KIND OF MOVES IN PARALLEL. THERE'S DIFFERENT STRATEGIES AND TOOLS THAT WE USE TO

ADDRESS REDUCING POLLUTANTS OVER TIME.
BUT THE OVERALL KEY ONE IS WE WANT TO
CREATE CLEAN FUELS AND A CLEAN TRANSITION
TO THESE INDUSTRIES. AND SO I GUESS THAT'S WHAT I
WOULD SAY IS HOW THEY DOVETAIL A
LITTLE BIT. SO IT'S NOT KIND OF A ONE OR THE OTHER
TYPE OF SITUATION. I THINK IT'S SQUARELY
WITHIN OUR MISSION TO BE ABLE TO PROMOTE THE
EQUITABLE AND SUSTAINABLE MOVEMENT OF
PEOPLE AND GOODS OF OUR ECONOMY.
WHAT'S AN EXAMPLE OF HOW AN INTERNATIONAL TRAVELER
COULD BE A PROACTIVE CONTRIBUTOR TOWARDS
SUSTAINABILITY EFFORTS THROUGH TRAVELING?
WELL, ANOTHER GREAT QUESTION. ONE VERY PRACTICAL
WAY IS THE INDIVIDUAL CAN
UTILIZE PROGRAMS LIKE WE HAVE, LIKE THE GOOD
TRAVELER PROGRAM TO PURCHASE
OFFSETS TO THEIR CURRENT TRAVEL AS WE
LOOK TO TRANSITION FUELS OVER THE
LONG TERM. SO THAT'S SOMETHING THAT AN
INTERNATIONAL TRAVELER OR ANY TRAVELER COMING
THROUGH SEATAC IN OR OUT CAN USE
AS THEY LOOK AT THEIR OWN CARBON FOOTPRINT.
I MEAN, THAT SOUNDS LIKE A GOOD IDEA AND WILDLY
AMBITIOUS. BUT ARE INTERNATIONAL TRAVELERS
ACTUALLY PARTICIPATING IN A PROGRAM LIKE THAT
AT SEATAC AIRPORT? I WOULD HAVE TO GET THE DATA
ON EXACTLY INTERNATIONAL TRAVELERS, BUT OUR
INFORMATION RIGHT NOW ON THE GOOD TRAVELER PROGRAM
THAT WE UTILIZE AT SEATAC, THAT SEATAC TRAVELERS ARE
THE HIGHEST USERS OF THAT PROGRAM NATIONALLY
IN THE AIRPORTS THAT USE IT. SO OUR CONTINUATION
OF HELPING TO PROMOTE THAT WILL BE ONE STEP
IN THAT DIRECTION. SO YOU'RE TELLING ME THE
INTERNATIONAL TRAVELERS THAT ARE ACTUALLY COMING
THROUGH OUR GATEWAY ARE BUYING, THEY'RE GIVING
MONEY TOWARDS A PROGRAM THAT ADVANCES
SUSTAINABILITY AND TRANSFORMING OUR TRANSPORTATION
SECTOR. I'LL NEED TO GET THE DATA
ON HOW MUCH IS DOMESTIC VERSUS INTERNATIONAL, BUT
WE'LL SEE IF WE CAN GET THAT SPLIT. WHAT CONCOURSE
DO MOST INTERNATIONAL TRAVELERS COME THROUGH?
THAT'S AN AVIATION QUESTION. SOMETIMES IT DEPENDS
IF THEY CLEAR CUSTOMS FIRST. IT DEPENDS ON
DIFFERENT. THE ANSWER IS
A YES.
WHERE IS THE PROGRAM LOCATED? SO THERE'S A COUPLE
OF PLACES. THERE IS A KIOSK, I THINK, IN THE A
TERMINAL, AND THERE'S ALSO A WEBSITE THAT
YOU CAN USE AND SIGNAGE IN DIFFERENT PLACES
THROUGHOUT THE AIR. SO I AM HEARING THAT
INTERNATIONAL TRAVELERS COULD POSSIBLY BE A TARGET
AUDIENCE TO BE ABLE TO PARTICIPATE IN THAT
PROGRAM. CORRECT. OKAY. SO NOW
LET'S TALK ABOUT THE PUGET BREAKDOWN. BECAUSE IF
WHAT I CARE ABOUT IS EQUITY, THEN I CARE ABOUT
WHERE THIS MONEY IS BEING SPENT. YOU'RE TELLING ME
THAT WITHOUT APPROVAL OF THIS BUDGET ASK THAT \$0
ARE GOING TO BE TARGETED TOWARDS TRAVELERS FROM
ASIA OR FRANCE?
NO, I BELIEVE THE BUDGET BREAKDOWN SHOWS THAT
WE ARE INVESTING NEW FUNDING IN ASIAN MARKETS ONLY
WITH APPROVAL. WITH APPROVAL. WITH APPROVAL.

RIGHT. CORRECT. SORRY, I DIDN'T CAPTURE YOUR QUESTION. THERE WOULD BE SOME BASIC FOUNDATIONAL EFFORTS THERE THAT COULD FALL WITHIN THAT LAST BUDGET LINE ITEM. THERE OF TRADE SHOWS, SALES MISSIONS, FAM TRIPS, THERE'S A LINE FOR THAT. BUT AS FAR AS IN MARKET REPRESENTATION OR SPECIFIC PROJECTS WITH AGENCIES IN THOSE MARKETS THAT'S NOT CURRENTLY IN THE PUGET. SO ARE WE BUDGETING THE PIECE OF TOURISM THAT IS SQUARELY WITHIN OUR PURVIEW, WHICH IS CRUISE BUDGETING FOR ADVERTISEMENT OF CRUISE OR ARE WE BUDGETING FOR BROADER STATEWIDE TOURISM? WE HAVE A CRUISE FOCUS BUT DEFINITELY WE HAVE AN INTEREST IN DRIVING VISITATION THROUGHOUT THE ENTIRE STATE. AND THAT'S PART OF MY CHARGE HERE TO WORK WITH THESE ORGANIZATIONS TO DO THAT. ARE YOU WORKING WITH SOME OF THE INLAND PORTS OR OTHERS, OTHER ORGANIZATIONS STATEWIDE? I HAVE NOT PERSONALLY MADE CONTACT WITH EVERYONE YET. STILL RELATIVELY NEW HERE. BUT I'M WORKING MAINLY MY CONTACTS HAVE BEEN WITH STATE OF WASHINGTON TOURISM AND VISIT SEATTLE AND SOME OF THE OTHER DMOS THROUGHOUT THE REGION CONTINUING TO GROW IN THIS ROLE. BUT OUR FOCUS HAS BEEN ON DRIVING THAT VISITATION FROM THESE MAJOR MARKETS AND THE BEST WAY WE CAN DO THAT IS WITH SWT AND VISIT SEATTLE. OKAY, AND THEN WHY ARE WE ADVERTISING, SPENDING PUBLIC FUNDS TO ADVERTISE FOR AN INDUSTRY THAT HAS RECOVERED?

WELL, POST PANDEMIC, IT HASN'T FULLY RECOVERED AND YOU ALWAYS NEED THESE EFFORTS IN ORDER TO REMAIN COMPETITIVE IN THE MARKET. SO IT'S NOT SOMETHING THAT WILL GO AWAY. BUT AS YOU SAW, INTERNATIONAL ARRIVALS WERE STILL DOWN 24% AND THESE ARE THE INTERNATIONAL VISITORS THAT STAY LONGER AND SPEND MORE, MORE OF AN IMPACT, MORE ROI ON THESE INTERNATIONAL VISITORS. SO THAT'S WHY IT CONTINUES TO BE A FOCUS AND THE LOWEST BE A KEY PART OF THE TOURISM ECONOMY. AND IF WE AREN'T FOCUSED ON THAT, WE WILL MISS OUT ON THAT TO COMPETING DESTINATIONS. SO THIS MARKETING I'M HEARING YOU SAY IS PRIMARILY FOCUSED TOWARDS CRUISE AND NOT FOR HOW WOULD TRAVELERS COMING IN FOR THINGS LIKE THE WORLD CUP OR HOW ARE THEY GOING TO BENEFIT FROM THIS. I ACTUALLY THINK THAT WE ARE MARKETING THE ENTIRE STATE OF WASHINGTON TOURISM OPPORTUNITIES. AND WHAT WE'RE GOING TO DO IS ADD A SUGGESTIVE SALE AROUND CRUISE AND STAY. WE CREATE A BROCHURE AND MARKET COLLATERAL MATERIALS AROUND CRUISE AND STAY OPPORTUNITIES. WE WILL CONTINUE TO DO THAT. WE WILL SUPPORT OUR STATE PARTNER TO DO THAT. BUT THE OVERALL EMPHASIS IS REALLY THAT WASHINGTON STATE IS OPEN FOR VISITATION AND THAT'S REALLY WHAT THE MARKETING MESSAGE IS IN A BROAD MARKETING MESSAGE I THINK IS APPROPRIATE AROUND FOLKS KNOW WHAT THAT FOLKS ARE TRAVELING VIA CRUISE. WHAT THIS PROMOTION DOES IS IT LETS FOLKS KNOW ABOUT WHERE THEY ABOUT STAY OPPORTUNITIES ASSOCIATED WITH CRUISE OR ARE YOU ALSO TRYING TO PROMOTE CRUISE AS AN OPTION FOR TRAVEL?

IS THIS FOR LOCAL, FOR HOSPITALITY?
WILL HOSPITALITY ACTUALLY SEE BENEFIT FROM THIS?
YEAH, WE'RE MAINLY FOCUSED ON THOSE
OVERNIGHT NAYS THROUGHOUT WASHINGTON STATE.
THROUGHOUT WASHINGTON STATE. OKAY, ARE THOSE LIKE
MAJOR CHAINS OR ARE THESE SMALL? MOM AND POP CAN
BE ALL OF THE ABOVE. OKAY,
SO BY WORKING WITH THE STATE OF WASHINGTON. WE'VE
USED THE TERM DESTINATION MARKETING ORGANIZATIONS.
AND THAT'S THE VISIT SEATTLE'S, VISIT YAKIMA,
VISIT WINNACHEE, VISIT SPOKANE, ALL OVER THE STATE
AND IT'S THROUGH THAT NETWORK. THAT'S WHAT I
UNDERSTOOD WHEN WE RECEIVED THIS BRIEFING BEFORE.
THAT'S WHAT I'VE ALWAYS UNDERSTOOD, THAT TOURISM
IS AROUND TOURISM BROADLY, NOT JUST AROUND
CRUISE. SO THAT'S A CONCERNING THIS
IS BROAD TOURISM PROMOTION, RIGHT? YEAH. AND IF
YOU LOOKED AT OUR SCOPE OF WORK WITH AUSTRALIA,
IT'S BROAD TOURISM ABOUT SIX BULLETS AND THEN
THERE IS A MENTION OF PROMOTING CRUISE DOWN AT THE
BOTTOM. OKAY. IS THERE ALSO AN AWARENESS
CAMPAIGN ASSOCIATED WITH THIS WITH RECRUITMENT FOR
BEST PRACTICES FOR SUSTAINABLE TOURISM THAT WE
IDENTIFIED AS THE PORT THAT IS PART OF THE
WASHINGTON STATE BRAND AND PART OF THE MARKETING
MESSAGE WE'RE SENDING? NO FURTHER QUESTIONS.
THANK YOU, COMMISSIONER HASEGAWA, ANY OTHER
QUESTIONS? COMMISSIONER MOHAMED,
THANK YOU FOR THOSE QUESTIONS. COMMISSIONER
HASEGAWA. SOME OF THEM I HAD IN MIND ACTUALLY,
DIRECTOR KILROY, IF YOU COULD STAY THAT WOULD BE
GREAT. SO MY
QUESTION IS SPECIFICALLY AROUND THIS CONTRACT AND
THE PARTNERSHIP WITH THE STATE OF WASHINGTON
TOURISM, DO YOU
SEE THIS AS IN ALIGNMENT WITH OUR CENTURY AGENDA
GOALS AND DO YOU SEE ALIGNMENT WITH
OUR CLEAN AIR STRATEGY OR DO YOU FEEL LIKE THIS IN
ANY WAY IS UNDERMINING THAT OR ARE WE ALIGNED?
I WANT TO SAY WE'RE ALIGNED BECAUSE OUR
OVERALL STRATEGY IS TO DECARBONIZE
BOTH THE AVIATION AND MARITIME INDUSTRIES AS A
WHOLE. SO I
DON'T SEE THEM AS MISALIGNED THOUGH.
WE HAVE WORK AHEAD OF US, RIGHT? I MEAN, WE HAVE A
LOT OF WORK AHEAD OF US USING DIFFERENT STRATEGIES
AND DIFFERENT TOOLS TO ADDRESS HOW WE DECARBONIZE
BOTH AVIATION AND THE MARITIME SECTORS. AND SO
I THINK THAT THE
TOURISM PLAN THAT'S LAID OUT I DON'T SEE AS
A BARRIER TO ACHIEVING THOSE GOALS.
WE SHOULD BE MOVING IN CONCERT WITH THOSE. AND I
THINK TO COMMISSIONER HASEGAWA'S POINT THERE'S WAYS
FOR US TO UTILIZE THOSE TRAVELERS AS ADVOCATES,
AS EDUCATIONAL OPPORTUNITIES AND ADVOCATES
TO RAISE AWARENESS AND ENGAGE IN HELPING US
MOVE THOSE SOLUTIONS FORWARD BECAUSE SOME OF THEM
WILL TAKE POLITICAL, PUBLIC AND POLITICAL
ACCEPTANCE. GREAT. AND DIRECTOR KILROY AND
DIRECTOR MCFADDEN, COULD YOU GUYS SHARE JUST
A LITTLE BIT ABOUT YOUR DEPARTMENT'S PARTNERSHIP
AND WORKING TOGETHER ON PROMOTING SUSTAINABLE
TOURISM AND WHAT THAT LOOKS LIKE? MAYBE FOR

ME, I HEAR IT ALL THE TIME. WE HEAR ABOUT SUSTAINABLE TOURISM GOALS AND HOW THAT ALIGNS, BUT I THINK MAYBE THE PUBLIC DOESN'T ALWAYS HEAR THAT. SO I'D JUST LOVE TO HEAR YOU GUYS DESCRIBE THAT.

I'LL PICK UP THE OTHER HALF AND SAY, YEAH, WE ARE ALIGNED. AND PART OF THAT IS WE'RE EXCITED ABOUT THE GREEN CRUISE CORRIDOR. THAT'S ABSOLUTELY INSTRUMENTAL TO THE FUTURE OF A LINE OF BUSINESS WE HAVE. IT'S SOMETHING THAT ATTRACTS TOURISM AND IT'S SOMETHING WHERE WE SEE BENEFITS FROM THAT EFFORT AND FULLY SUPPORT IT. IF I LOOKED AT OUR TOURISM GRANT PROGRAM, WE PUT MORE AND MORE MONEY OUT EVERY YEAR FOR RESPONSIBLE TOURISM OR ECOTOURISM.

AND WE REALLY GOT THAT IDEA IN GENESIS FROM OUR STRONG COMMITMENT TO SUSTAINABILITY AND JUST LITERALLY WROTE IT IN AS AN UNDERWRITING PRACTICE FOR OUR GRANTS. AND SO THERE'S A COUPLE EXAMPLES. IF I FLIP THE PAGE, THERE'S A LOT OF THINGS OUTSIDE OF TOURISM, ESPECIALLY ON BUSINESS DEVELOPMENT, WHERE WE'RE DEEPLY ALIGNED. IF YOU'RE LOOKING AT HYDROGEN OR CLEAN ENERGY THAT NEEDS A SPOT AT THE PORT, AND THAT BRINGS ECONOMIC DEVELOPMENT AND REAL ESTATE TO THE TABLE. SO WE'RE DEEPLY EMBEDDED AND WORKING TOGETHER ON A VARIETY OF LEVELS. COMMISSIONER CALKINS, IN THE MEMO YOU MENTIONED USING ROI AS A METRUCK FOR THE VALUE OF CONTRIBUTING THIS. CAN YOU TELL ME WHAT YOU DETERMINED THE ROI OF THIS 800,000 WOULD BE AND WHAT YOU FELT LIKE WAS A THRESHOLD THAT IT NEEDED TO PASS TO JUSTIFY IT. RIGHT. AND TRACKING IS TRADITIONALLY TOUGH IN THE TOURISM WORLD, BUT YOU CAN SEE WHERE DESTINATION MARKETING, YOU LOOK AT, LIKE BRAND USA, THEY SAY FOR EVERY DOLLAR THAT THEY PUT INTO DESTINATION MARKETING, OVER \$20 IS RETURNED. SO THOSE ARE THE TYPE OF NUMBERS WE'RE HOPING TO ACHIEVE WITH OUR TRACKING. AND WE GET REPORTS FROM EACH OF OUR IN MARKET REPS BASED ON WE'LL GET THOSE FOR MEDIA. WE'LL GET THE VALUE OF THE MEDIA. SO WE CAN SEE THOSE TYPES OF NUMBERS. AND I ACTUALLY HAVEN'T SEEN THEM HERE, BUT THE VISITOR SPENDING NUMBERS, I HAVEN'T SEEN THOSE SPECIFICALLY FOR SEATTLE. BUT THOSE NUMBERS CAN BE 200, \$300 A DAY PER VISITOR. AND BASED ON THE NUMBER OF VISITORS THAT COME TO THIS REGION, THE ROI IS THERE FOR AN INVESTMENT OF \$400,000. THAT COULD BRING MILLIONS. I DON'T WANT TO THROW A NUMBER OUT THERE.

IF THE ROI WERE TWO TO ONE, LET'S SAY THAT'D BE PRETTY I THINK ANYBODY WOULD SAY I WOULD PUT MY PENSION IN A GUARANTEED TWO TO ONE RETURN. IT'S 21. THAT WOULD BE REMARKABLE. YES. ANYBODY, ANY BUSINESS OWNER WOULD SAY, IF THERE'S A BUSINESS LINE WHERE IF I SPEND \$20 ON MARKETING, OR ONE DOLLARS ON MARKETING AT \$20 IN REVENUE, THAT'S PROBABLY A PRETTY GOOD TURNAROUND. AND IN MY EXPERIENCE, THAT'S WHERE THAT NUMBER HAS BEEN. I HAVEN'T SEEN THOSE NUMBERS HERE. I THINK WHAT I'M ALSO HEARING IS THIS CONCERN ABOUT, ARE WE JUST

CREATING A SITUATION WHICH WE'RE FURTHERING ENVIRONMENTAL DAMAGE THROUGH AN INDUSTRY THAT IS INTRINSICALLY BAD FOR THE ENVIRONMENT? THAT IS AN INTERNAL CONVERSATION WE NEED TO HAVE AND HAVE BEEN ENGAGED IN FOR YEARS NOW. MY PERSONAL POSITION ON THIS IS THAT WE ARE, AS AN INSTITUTION, WORKING TO LEAD RESPONSIBLE TOURISM, TO MODEL THE WAY. AND IF WE UNILATERALLY DECIDE WE'RE NO LONGER GOING TO PARTICIPATE IN TOURISM, THAT SENDS A VERY STRONG MESSAGE. AND I THINK THERE ARE STRONG AND VERY INTELLIGENT ARGUMENTS FOR THAT AS AN ENVIRONMENTALIST, TO SAY WE ARE SIMPLY NO LONGER GOING TO PARTICIPATE IN THAT PARTICULAR THING. I HAVE NOT PERSONALLY COME TO THAT CONCLUSION. I BELIEVE THAT THE LONGER TERM BETTER APPROACH IS TO SAY WE NEED TO CREATE A SCENARIO IN WHICH THE ABILITY FOR AN INDUSTRY TO ADOPT THE HIGHEST ENVIRONMENTAL STANDARDS FOR ITSELF IS A BETTER POSITION. WHICH IS WHY I'M NOT INTERESTED IN MAKING IT HARDER FOR TOURISTS TO COME TO SEATTLE. WHAT I DO WANT TO DO IS ENSURE THAT THE COSTS OF THEIR TOURISM IS ACCOUNTED FOR IN THE COSTS THAT WE CHARGE. AND SO IF THAT MEANS THAT WE NEED TO CHARGE A HIGHER TARIFF RATE AT OUR TERMINALS TO COVER THE COSTS OF PLUGGING IN THE SHIPS OR TO ACCOUNT FOR THE WORK THAT WE NEED TO DO TO INCREASE IMO STANDARDS FOR THE CRUISE SHIPS, TO INCREASE AVIATION STANDARDS FOR EMISSIONS, THEN WE SHOULD DO THAT. AND IT SHOULD BE THE TOURISTS, THE PASSENGERS WHO PAY THE PRICE OF THAT. BUT IF WE SHUT THAT ALL DOWN, WE LOSE THE VERY REVENUE THAT WE NEED TO BE ABLE TO THE RESOURCES THAT WE NEED TO MAKE THAT CHANGE. AND I KNOW THAT REASONABLE PEOPLE DISAGREE ON THIS POINT. THAT IS CURRENTLY WHERE I STAND ON THIS AND WHY I WILL KNOWING THAT THERE IS A POSITIVE ROI FOR THIS WHERE I'M GOING TO VOTE. THANK YOU. COMMISSIONER CALKINS. COMMISSIONER FELLEMAN. THANKS FOR THE PRESENTATION. AND I REALLY AM DELIGHTED BY THE FACT THAT WE'RE GETTING THIS ALIGNMENT BETWEEN THE THREE AGENCIES THAT ARE ALL IN THE SAME BUSINESS AND THAT WE'RE MORE AND MORE MARKETING THE ENVIRONMENTALLY RESPONSIBLE TOURISM COMPONENT OF IT. SO WE'RE ALL SINGING THE SAME SONG AND SETTING THE RIGHT SORT OF EXPECTATIONS FOR THE PUBLIC. WHO'S COMING HERE. IT'S NOT DISNEYLAND. IT'S ONE OF THE GREAT PLACES LEFT ON THE PLANET. AND YOU SHOULD COME HERE FIRST BY PACKING YOUR SENSE OF RESPONSIBILITY. THAT MESSAGE IS GETTING OUT. I'VE BEEN HELPING LEAD THAT EFFORT AND I'M DELIGHTED THAT PEOPLE ARE VERY MUCH ALIGNING WITH IT. BUT WE DO HAVE A FOUNDATIONAL PROBLEM IN THAT THE PORT OF SEATTLE IS DEALING WITH SHIPS AND PLANES. THESE ARE THE LAST TO DECARBONIZE THE HEAVIEST INDUSTRIES OUT THERE AND POSE THE GREATEST CHALLENGE. SO WE HAVE TO EMBRACE THAT CHALLENGE WHOLEHEARTEDLY. AND THE PROMOTION OF ALTERNATIVE FUELS IS LIKE THE ONE EASIEST TRANSITION THAT WE CAN MOVE TO AND CERTAINLY PUT THE AVIATION INDUSTRY SUSTAINABLE. AVIATION FUELS IS REALLY THE

ONLY NEAR TERM OPTION THERE IS, ALTHOUGH PRODUCTION IS LAGGING BEHIND DEMAND. HOWEVER, WE'RE WORKING ACTIVELY ON THAT EFFORT. SO IT'S NOT LIKE WE'RE IGNORING THE PROBLEM. IN FACT, WE'RE LEADING ON THAT ISSUE. AND WITH REGARDS TO HAVING INFRASTRUCTURE AT THE WATERFRONT, RIGHT? WE HAVE BEEN ONE OF THE FIRST TO PROVIDE SHORE POWER AND WE EXPAND SHORE POWER AND WE'RE ACTIVELY PURSUING GRANTS AND OPPORTUNITIES TO FURTHER OUR SHORE POWER EFFORTS. SO IT'S NOT LIKE WE'RE IGNORING THIS CHALLENGE. IT IS PART OF OUR JOB THOUGH.

NOW, THE IDEA THAT WE HAVE THE THING LIKE GOOD TRAVELER PROGRAM, JUST DOING CREDITS IS A GOOD THING. IT'S AN INTERIM STEP. BUT ONE OF THE THINGS I'VE BEEN PURSUING AND WANTING TO PURSUE FURTHER IS TO BETTER PROMOTE IT. I'M DELIGHTED TO HEAR THAT WE HAVE A HIGHER PERCENTAGE THAN OTHER PLACES, BUT I WANT TO HAVE THOSE BENEFITS TO BE GENERATED LOCALLY, BECAUSE I THINK IN ADDITION TO THE CARBON SEQUESTRATION OF TREES AND THINGS LIKE THAT, I'D LIKE TO SEE THE COMMUNITIES AROUND THE AIRPORT BENEFIT FROM THAT. AND SO I KNOW THAT'S NOVEL AND I KNOW IT'S A NATIONAL PROGRAM, BUT I'D LIKE TO SEE IF WE CAN'T MANAGE A WAY TO SHOW THAT THOSE IMPACTS ARE NOT JUST CLIMATOLOGICAL, BUT CONVENTIONAL POLLUTANTS AS WELL. BUT I THINK ULTIMATELY, THIS WHOLE IDEA OF PROMOTING STATEWIDE TOURISM FOR ME WAS I DIDN'T WANT JUST WASHINGTON STATE PROMOTE, COME HERE TO GO TO ALASKA. I WANT YOU TO COME HERE TO SPEND MONEY HERE, AND I WANT YOU TO SOME OF THE BEST PLACES LEFT ON THE PLANET ARE IN RURAL WASHINGTON. SO THOSE DOLLARS GO THAT MUCH FURTHER WHEN YOU SPEND IT IN THOSE COMMUNITIES. BUT IF YOU GO AND JUST SEND MORE PRESSURE ON THOSE COMMUNITIES, TRIBAL LANDS, THERE'S ALREADY A TREMENDOUS AMOUNT OF PUSHBACK RIGHT NOW. EVEN COMMUNITIES THAT WANT TO HAVE TOURISM DON'T WANT TO HAVE TOO MUCH TOURISM, AND CERTAINLY THE ENVIRONMENT CAN'T TAKE IT EITHER. SO WE HAVE TO WHOLLY TAKE RESPONSIBILITY FOR THE ADDITIONAL PRESSURE WE CREATE. AND I'M DELIGHTED THAT THIS YEAR WE ARE SUPPORTING THE BUDGETS OF SOME OF THE NATURAL RESOURCE AGENCIES WHO ARE THE STEWARDS OF THE LANDS THAT WE'RE DIRECTING PEOPLE TO. SO IT IS REALITY INCREASING PRESSURE, BUT WE ALSO HAVE TO INCREASE OUR SENSE OF RESPONSIBILITY. AND I'M DELIGHTED THAT THE PORT IS TRYING TO STEP UP IN THAT WAY. GREAT. THANK YOU. COMMISSIONER FELLEMAN. COMMISSIONER HASEGAWA, I HAVE A FOLLOW UP QUESTION, STARTING WITH A THOUGHT.

I AM SO SADDENED BY THE CONTINUED RISE IN ANTI ASIAN SENTIMENT HERE AT HOME, INCLUDING WITHIN KING COUNTY AND WASHINGTON STATE. AND I THINK THAT WHAT THE WORLD NEEDS IS FUNDAMENTAL HUMAN CONNECTION. AND I THINK THAT OUR ROLE IN THE PORT IS IMPORTANT IN BEING ABLE TO HELP FACILITATE A GLOBAL COMMUNITY. WE ARE THE CLOSEST PORT TO ASIA. AND SO WHEN I'M LOOKING AT THIS BUDGET, IT SAYS \$0 WITHOUT APPROVAL OF THIS. ASKED TOWARDS

MARKETING IN JAPAN, KOREA, AND CHINA,
IT RAISES A COUPLE OF QUESTIONS FOR ME. ONE IS,
DO YOU SEE THE RISING TENSIONS BETWEEN
THE UNITED STATES AND CHINA AS HAVING A ROLE IN
IMPACTING TRAVEL BETWEEN THE TWO COUNTRIES?
AND DO YOU SEE A GREATER NEED FOR INTENTIONAL
INVESTMENT INTO ASIA
MARKETS SPECIFICALLY? YES,
I KNOW THE IMPORTANCE OF THE ASIAN MARKETS,
ESPECIALLY JAPAN, SOUTH KOREA, WHICH WE'RE LOOKING
TO LEAD OFF WITH HERE.
I WISH WE HAD ENOUGH BUDGET TO DO ALL THESE
EFFORTS IN EACH ONE OF THESE COUNTRIES, AND
ESPECIALLY BEING, AS YOU MENTIONED, THE CLOSEST
AIRPORT, WE SHOULD BE WELCOMING.
RIGHT. AND THAT'S PART OF WHAT WE WANT TO DO AS
OUR WHOLE PROGRAM IS,
AGAIN, DISPLAY THE VALUES OF WASHINGTON STATE
AND MAKE SURE THAT WE'RE WELCOMING TO VISITORS
FROM EVERYWHERE. AND THAT MEANS WORKING WITH THE
HOSPITALITY INDUSTRY, WORKING WITH HOTELS, SO THAT
THEY KNOW HOW TO BE WELCOMING TO ALL DIFFERENT
PEOPLE FROM EVERYWHERE, PEOPLE FROM ALL WALKS OF
LIFE. AND OBVIOUSLY BEFORE THE PANDEMIC,
JAPAN, CHINA, SOUTH KOREA WERE HUGE MARKETS. AND
THEY'VE JUST BEEN A LITTLE SLOWER TO COME BACK, A
LITTLE SLOWER TO MOVE UP THAT PRIORITY LIST FOR US
BASED ON THE CRITERIA THAT WE HAVE. BUT THEY ARE
SIGNIFICANT MARKETS THAT WILL COME BACK.
AND WE NEED TO MAKE SURE THAT WE REESTABLISH
WASHINGTON STATE AND SEATTLE AS A TOP OF MIND
DESTINATION FOR THEM. OTHERWISE, THEY'LL GO TO
OTHER DESTINATIONS THAT ARE MORE WELCOMING. OKAY,
SO I THINK THAT THAT IS CRITICAL. I THINK
THAT US BEING INTENTIONAL ABOUT MARKETING
OURSELVES AND TELLING OUR STORY AND SHOWCASING THE
HUMANITY, THE INTRINSIC VALUE OF
WHO WE ARE IN THE SPACE THAT WE'RE IN TO
ASIA, I THINK HAS TREMENDOUS
VALUE. BUT CAN YOU HELP ME MAKE
SENSE OF THE BUDGET? SO, WITH APPROVAL, YOU'RE
LOOKING FOR \$690,000 TO BE ABLE TO SPEND ON THIS,
BUT YOU'RE ASKING US TO APPROVE 800,000. WHAT
HAPPENS TO THE OTHER 110K?
I'M SORRY, COULD YOU IF YOU REFER TO PAGE NINE OF
THE PRESENTATION, IT SAYS THAT WITH APPROVAL,
IT'LL BE A TOTAL OF 690,000 WITH A BREAKDOWN TO
TARGET COUNTRIES THAT WILL BE OKAY,
SO ONE, I THINK THAT'S ANNUAL
VERSUS THIS IS A TWO YEAR AGREEMENT. ADDITIONAL
400K FOR THE NEXT TWO YEARS. UNDERSTOOD.
OKAY. THAT'S ANNUAL.
OKAY, VERY GOOD. THANK YOU FOR THAT CLARIFICATION.
NO FURTHER QUESTIONS. THANK YOU VERY
MUCH. WE'LL NOW CONSIDER ITEM EIGHT FOR A VOTE.
DO I NEED A MOTION IN A SECOND? CAN I GET A MOTION
IN A SECOND?
SO MOVED. SECOND. GREAT. COMMISSIONER.
COMMISSIONER. COMMISSIONER. CLERK HART, PLEASE
CALL THE ROLL. THANK YOU. THANK YOU. ANYONE?
COMMISSIONER CALKINS.
AYE. THANK YOU.
THANK YOU. COMMISSIONER FELLEMAN.

AYE. THANK YOU. COMMISSIONER HASEGAWA. AYE.
THANK YOU. COMMISSIONER MOHAMMED. AYE. THANK YOU.
AND COMMISSIONER CHO. AYE. THANK YOU. FIVE AYES,
ZERO NAYS FOR THIS ITEM. EXCELLENT. THE MOTION
PASSES. THANK YOU VERY MUCH, DAVE AND NICK.
ALL RIGHT, MOVING ON IN THE AGENDA, WE HAVE ONE
NEW ITEM OF BUSINESS TODAY. CLERK HART, PLEASE
READ THE FIRST ITEM INTO THE RECORD. WE'LL THEN
HEAR FROM EXECUTIVE DIRECTOR METRUCK TO INTRODUCE
THE ITEM. THANK YOU. THIS IS AGENDA ITEM TEN. A
AUTHORIZATION FOR THE EXECUTIVE DIRECTOR TO
ADVERTISE AND AWARD UP TO THREE MAJOR PUBLIC WORKS
CONTRACTS TO EXECUTE UTILITY AGREEMENTS FOR THE
RELOCATION OF UTILITIES, TO TRANSFER \$527,000
OF BUDGET FROM CIPC 800862
TERMINAL SECURITY ENHANCEMENTS TO SUPPORT THE
INSTALLATION OF SECURITY BOULEVARDS. TO TRANSFER
UP TO \$3,860,000 OF BUDGET FROM CIPC
EIGHT 100:42 LANDSLIDE
PAVEMENT PROGRAM TO SUPPORT ADDITIONAL PAVEMENT
REHABILITATION AND TO AUTHORIZE AN ADDITIONAL
\$73,600,000 FOR THE TOTAL PROJECT.
AUTHORIZATION OF \$89,500,000
FOR THE WIDEN ARRIVALS ROADWAY PROJECT AT SEATTLE
TACOMA INTERNATIONAL AIRPORT.
COMMISSIONER, THE WIDEN ARRIVALS PROJECT IS
CRITICAL TO RELIEVING HIGH LEVELS OF CONGESTION ON
THE MAIN ACCESS TO SEATTLE TACOMA INTERNATIONAL
AIRPORT. ALL OF US ARE FAMILIAR WITH THE FREQUENT
TRAFFIC BACKUPS THAT OFTEN EXTEND BACK TO STATE
ROAD 518 AND EVEN I FIVE. TODAY'S ACTION
WILL BE THE FOURTH TIME THE COMMISSION WILL
CONSIDER AND GET BRIEFED AND TAKE A VOTE ON THIS
IMPACTFUL PROJECT. THESE INVESTMENTS WILL CREATE
DEDICATED ACCESS TO THE PARKING GARAGE AND GROUND
TRANSPORTATION CENTER WITH SPECIFIC BENEFITS TO
INDEPENDENT TAXI AND TRANSPORTATION NETWORK
COMPANY DRIVERS, AS WELL AS OTHER COMMERCIAL
GROUND TRANSPORTATION SERVICES LIKE COURTESY VANS
AND SHUTTLES FOR LOCAL PARKING OPERATORS AND
HOTELERS. IN ADDITION, IT WILL REDUCE IMPACTS TO
SURROUNDING LOCAL COMMUNITIES BY EASING THE
CONGESTION THAT CONVERT TRAFFIC ONTO INTERNATIONAL
BOULEVARD. WHILE THIS PROJECT IS A ROADWAY
ENHANCEMENT IN ITSELF, IT ALSO SERVES AS AN
ESSENTIAL ENABLING PROJECT IN PURSUIT OF OUR
BROADER GROUND TRANSPORTATION ACCESS PLAN.
AS PART OF THIS PRESENTATION, WE'LL DISCUSS WAYS
TO ULTIMATELY REDUCE SINGLE OCCUPANCY VEHICLE
TRIPS TO THE AIRPORT. WE BELIEVE WE CAN AND SHOULD
PURSUE OUR CRITICAL ENVIRONMENTAL PRIORITIES AS WE
ALSO ADDRESS IMPORTANT CUSTOMER SERVICE NEEDS.
THIS PROJECT IS PART OF OUR UPGRADE SEA EFFORT AND
THE PRESENTERS THIS AFTERNOON ARE RF GAUSS,
CHIEF OPERATING OFFICER AT THE AIRPORT DIRECTOR,
AND THE FIRST TIME RF HAS BEEN WITH US TODAY AT
THE COMMISSION. WELCOME BACK TO THE PORT. AND ALSO
I HAVE OTHER SPEAKERS. I KNOW. PETER LINDSAY HERE.
SENIOR MANAGER, AIRPORT OPERATIONS. BUT I GUESS
ALSO WE HAVE HEATHER BORNHURST AND ADRIAN DOWNE.
AND I DON'T THINK LANCE IS JOINING US THIS
AFTERNOON, CORRECT? SO WITH THAT, I'M GOING TO
TURN IT OVER TO RF. WELCOME RF, BACK TO THE PORT.

THANK YOU. GOOD AFTERNOON. COMMISSION AND EXECUTIVE DIRECTOR. FOR THE RECORD, AGAIN, RF GAUSS COO AT SEATAC AIRPORT. AND TODAY YOU GET THREE FOR THE PRICE OF ONE. SO I'M JUST GOING TO INTRODUCE THIS PRESENTATION AND THEN HAND IT OVER TO PETE TO MY LEFT OVER HERE. SO FIRST SLIDE PLEASE.

SO ON THE LEFT HERE, YOU SEE MANY PARTS TO A PUZZLE OR PIECES, AND ALL OF THESE ARE IMPORTANT FOR US TO DELIVER OUR LONG TERM VISION FOR SEATAC AIRPORT. BUT THEY CAN PRETTY MUCH BE SUMMARIZED BY THE ITEMS ON THE RIGHT THERE. IN TERMS OF IF WE CAN DELIVER THESE ITEMS, WE ARE PRETTY MUCH ACHIEVING MOST OF THE PIECES OF THE PUZZLE. AND IF I COULD JUST QUICKLY RECAP, WE'RE CURRENTLY A FOUR STAR SKYTRACK RATED AIRPORT AND WE'RE AIMING TO BE A FIVE STAR. WE WANT TO HAVE A MAXIMUM 75 MINUTES CONNECTION TIME TO GET TO FLIGHT AND THAT WOULD INCLUDE A 45 MINUTES MAXIMUM FROM THE CLOCK TOWER ON THE FREEWAY, AIRPORT FREEWAY, TO THE GATE. AND THEN WE WANT TO RAISE OUR OVERALL LEVEL OF SERVICE FOR THE PORT TO AN OPTIMUM LEVEL. AND THEN WE WANT TO BE IN THE TOP 25 FOR AIRPORT RATINGS FROM KIND OF AN ACI SURVEY THAT'S GIVEN TO OUR CUSTOMERS. WE WANT TO BE IN THE TOP 25 OF THAT. AND THEN OF COURSE, VERY IMPORTANT THAT WE'RE GOING TO BE THE GREENEST AIRPORT IN THE COUNTRY. SO, THE NEXT SLIDE PLEASE.

THE WIDENED ARRIVALS PROJECT HELPS US TOWARDS SPECIFICALLY ACHIEVING THREE STRATEGIC OBJECTIVES SET OUT BY THE COMMISSION AND ALIGNS WITH THEM ON THE CENTURY AGENDA. THE FIRST ONE, ADVANCING THIS REGION AS A LEADING TOURISM DESTINATION AND BUSINESS GATEWAY. SO THIS PARTICULAR PROJECT WILL MEET THE REGION'S AIR TRANSPORTATION NEEDS BY DELIVERING VITAL FACILITIES, INFRASTRUCTURE IN A SUSTAINABLE AND COST EFFECTIVE MANNER. SECONDLY, BE THE GREENEST AND MOST EFFECTIVE ENERGY EFFICIENT PORT IN NORTH AMERICA. THIS PROJECT WILL HELP US MEET OR EXCEED AGENCY REQUIREMENTS FOR STORMWATER LEAVING PORT OWNED OR OPERATED FACILITIES, AND FINALLY TO BECOME A MODEL FOR EQUITY, DIVERSITY AND INCLUSION. THIS WILL INCREASE OUR UTILIZATION ON WMBE AND DBE FIRMS AND ELIMINATE DISPARITY OF ACCESS TO OPPORTUNITIES. AND HERE WE'RE PARTICULARLY TALKING ABOUT THE GROUND TRANSPORTATION CONTRACTORS. AND WITH THAT, I WILL HAND IT OVER TO PETE TO GO INTO A BIT MORE DETAIL. THANK YOU, ARIF. AND FOR THE RECORD, PETER LINDSAY, SENIOR MANAGER, LANDSIDE OPERATIONS. THANK YOU, PRESIDENT CHO, COMMISSIONER EXECUTIVE DIRECTOR. NEXT SLIDE, PLEASE. I'M GOING TO SAY A FEW THINGS ABOUT GTAP GROUND TRANSPORTATION ACCESS PROGRAM. IT'S THE AIRPORT'S PROGRAMMATIC INITIATIVE TO SOLVE FOR A NUMBER OF POLICY ISSUES AROUND ENVIRONMENTAL EMISSIONS AND GREENHOUSE GAS EMISSIONS, ROADWAY CONGESTION, CUSTOMER CHOICE, AND SOCIAL EQUITY. THIS SLIDE MANY OF THE COMMISSIONER HAVE SEEN BEFORE. THIS IS OUR FRAMEWORK SLIDE THAT GUIDES US FROM OUR WORK TO ACTION, STARTING WITH THE PRINCIPLES THAT HAVE

BEEN ADOPTED BY THIS COMMISSIONER PREVIOUSLY. AND I WANT TO FOCUS ON THE RIGHT HAND COLUMN HERE LOOKING AT GTAP AND THE CAPITAL PROJECTS. WIDEN ARRIVALS IS LISTED AS ONE OF THOSE STRATEGIES THAT WE'RE DISCUSSING TODAY AS JUST ONE OF THE MANY TOOLS, THE PIECES OF THE PUZZLE THAT ERA REFERRED TO THAT ALLOWS US TO MEET OUR GOALS, AND IN PARTICULAR, OUR GOALS RELATED TO MISSION REDUCTION. FOR INSTANCE, TNCS TAXIS AND PARKING ARE PREFERRED MODES IN SOME SENSE BECAUSE THEY HAVE LESS OF AN IMPACT FROM AN EMISSION STANDPOINT. AND SO, WHEN WE LOOK AT THIS IMPROVEMENT, THE IMPROVEMENTS THAT HEATHER WILL DESCRIBE, WE'RE LOOKING AT BETTER ACCESS FOR THESE MODES AND BETTER ACCESS FOR AYE. MODES, INCLUDING BUSES AND TRANSIT. SO WE ARE TRYING TO IMPROVE THE ACCESS AND THE CUSTOMER SERVICE RELATED TO THIS IN TERMS OF THAT 45 MINUTES CLOCK TOWER TO THE GATE METRUCK. AND WITH ALL THE PLANNING AND GOOD WORK WE'VE DONE IN ENGINEERING AROUND THIS PROJECT, I THINK WE'VE DEMONSTRATED THAT THAT COULD BE ACHIEVED. SO WITH THAT, I'M GOING TO TURN IT OVER TO HEATHER BORNHORST AND SHE'S GOING TO TALK SOME SPECIFICS ABOUT THE WIDENING ARRIVALS PROJECT. THANKS, HEATHER. THANK YOU, PETER. GOOD AFTERNOON, COMMISSIONERS AND EXECUTIVE DIRECTOR METRUCK. NEXT SLIDE, PLEASE. FOR THE RECORD, MY NAME IS HEATHER BORNHORST. I'M THE LANDSLIDE PROGRAM LEADER WITHIN AVIATION PROJECT MANAGEMENT. SO, WIDEN ARRIVALS IS A ROADWAY IMPROVEMENT PROJECT WITH THE LIGHT RAIL TRANSIT SYSTEM LOCATED IN THE MEDIAN OF OUR NORTHERN AIRPORT EXPRESSWAY. WE'LL BE WIDENING AND SHIFTING THE TERMINAL ROADWAY SYSTEM TO THE WEST IN ORDER TO PROVIDE TWO ADDITIONAL LANES, ONE FOR PARKING AND ONE FOR GROUND TRANSPORTATION. THE UTILITY INFRASTRUCTURE THAT IS LOCATED UNDER THE ROADWAY SYSTEM WILL ALSO BE RELOCATED AND PORTIONS THAT ARE AT THE END OF THEIR USEFUL LIFE WILL BE REPLACED. THE UTILITY INFRASTRUCTURE SYSTEMS INCLUDE POWER, COMMUNICATIONS, WATER, STORMWATER AND NATURAL GAS. THE NORTH RENTAL CAR TRANSIT CURB WILL BE RELOCATED FURTHER NORTH IN ORDER TO EXPAND THE UTILIZATION OF THE CURBSIDE. AT THE MAIN TERMINAL, WE GAIN APPROXIMATELY 200 LINEAR FEET. THE BRIDGE THAT IS NO LONGER IN USE BETWEEN DEPARTURES AND THE MAIN GARAGE WILL BE DEMOLISHED AND IN FACT IT HAS ALREADY BEEN COMPLETED. THE PROJECT WILL ALSO INCLUDE TYPICAL ROADWAY IMPROVEMENTS SUCH AS SIGNAGE, ILLUMINATION, INTELLIGENT TRANSPORTATION SYSTEM COMPONENTS, AS WELL AS LANDSCAPING AND IRRIGATION IMPROVEMENTS. THE LAST TWO SCOPE ITEMS, THE INSTALLATION OF THE SECURITY BOLTARDS AND ADDITIONAL PAVEMENT REHABILITATION ARE SCOPES OF WORK FROM OTHER PROJECT EFFORTS THAT WE WILL DELIVER AS PART OF THIS PROJECT IN ORDER TO REDUCE THE OVERALL COST TO THE PORT AND IMPACTS TO OUR CUSTOMERS, TENANTS, OPERATORS AND EMPLOYEES. NEXT SLIDE PLEASE. THIS EXHIBIT DEPICTS THE COMPLETED IMPROVEMENTS FOR THE PROJECT. NORTH IS TO YOUR RIGHT, THE TERMINAL IS ON THE LEFT SIDE

OF THE SCREEN AND SOUTH 170 STREET IS ON THE RIGHT SIDE OF THE SCREEN. STARTING ON THE RIGHT SIDE YOU WILL SEE THE WIDENING IMPROVEMENTS AS WE HEAD SOUTH TOWARDS THE TERMINAL. WE HAVE IDENTIFIED THE AIRFIELD RETAINING WALL AND THE ROADWAY REALIGNMENT TO THE WEST, AS WELL AS THE RETAINING WALL ALONG ARRIVALS AND THE RENTAL CAR TRANSIT STOP. AS YOU CAN SEE, THE TWO ADDITIONAL LANES ARE PROVIDING DIRECT ACCESS FOR PARKING AND GROUND TRANSPORTATION. LANDSCAPING IMPROVEMENTS ARE INCLUDED THROUGHOUT THE PROJECT, BUT THIS EXHIBIT ONLY SHOWS THE LANDSCAPING IMPROVEMENTS TO BE COMPLETED AS PART OF OUR MAIN PROJECT EFFORT. THE AREAS IN BLACK REFLECT ONLY EROSION CONTROL TREATMENT AND I WILL TALK A LITTLE BIT LATER ABOUT THOSE AREAS AS FURTHER IN THE DISCUSSION.

NEXT SLIDE PLEASE. SO WHY ARE WE DOING THIS PROJECT? IN THE EARLY 1970S, THE AIRPORT UNDERWENT A SIGNIFICANT EXPANSION THAT CONSTRUCTED THE TWO LEVEL TERMINAL ROADWAY SYSTEM THAT WE HAVE TODAY. THE ORIGINAL FACILITY WAS DESIGNED TO SUPPORT AN ACTIVITY LEVEL OF 25 MILLION ANNUAL PASSENGERS AND WE'VE EXTENDED ITS USE BY RELOCATING GROUND TRANSPORTATION SERVICES INTO THE MAIN GARAGE AND THE NORTHEAST GT LOT. WE'VE ALSO RELOCATED RENTAL CAR OPERATIONS OFFSITE TO THE CONSOLIDATED RENTAL CAR FACILITY.

AIRPORT ACTIVITY LEVELS HAVE RETURNED AND IN 2022 WE REACHED AN ACTIVITY LEVEL OF NEARLY 46 MILLION ANNUAL PASSENGERS. DURING THE SUMMER, THE QUEUING AND CONGESTION LEVELS RETURNED AND QUEUES EXTENDED BACK TO THE CLOCK TOWER. DURING THE HOLIDAY PEAK PERIODS, THE QUEUES EXTENDED FURTHER BACK ONTO STATE ROUTE 518. SINCE WE EXPERIENCED MORE METER GREATER ACTIVITY DURING THOSE PERIODS.

OUR TRAFFIC MODELING EFFORTS HAVE INDICATED THAT AS AIRPORT ACTIVITY CONTINUES TO INCREASE, WE WOULD ANTICIPATE THE QUEUES TO REACH THE I 5/I-405 INTERCHANGE REGULARLY DURING THE SUMMER MONTHS. IN THE NEXT FEW YEARS. THIS IS A QUEUE LENGTH OF OVER TWO AND A HALF MILES, WITH AN AVERAGE TRAVEL TIME OF 16 MINUTES. THIS REPRESENTS A SIGNIFICANT IMPACT TO OUR CUSTOMERS, TENANTS, OPERATORS AND EMPLOYEES, AS WELL AS AN IMPACT TO THE LOCAL COMMUNITIES. NEXT SLIDE, PLEASE.

IN 2019. THE COMMISSION ALSO ADOPTED THE GROUND TRANSPORTATION POLICY DIRECTIVE. MY COLLEAGUES PETER SPOKE TO THIS BRIEFLY. THE OBJECTIVE IS TO REDUCE PRIVATE VEHICLE PICKUP AND DROP OFF AND TO MAINTAIN THE 15 MINUTES TRAVEL TIME FROM CLOCK TOWER TO THE CURB OR PARKING GARAGE.

WE ARE SUPPORTING THIS EFFORT IN TWO WAYS. FIRST, WE'RE PROVIDING ADDITIONAL CAPACITY BY REDUCING THE OIL CONGESTION AND QUEUING ON THE PORT ROTARY SYSTEM, ENSURING THAT WE MEET THAT 15 MINUTES TRAVEL TIME GOAL. SECOND, IN ORDER TO REDUCE PRIVATE VEHICLE PICKUP AND DROP OFF, WE NEED TO SHIFT OUR CUSTOMERS FROM THOSE MODES TO OTHER ACCESS MODES. THE STRATEGIES AND TACTICS ARE FOCUSED ON HOV MODES LIKE LIGHT RAIL TRANSIT, OUR GROUND TRANSPORTATION SERVICES, AND LONG TERM PUBLIC PARKING. IF WE ARE SUCCESSFUL IN THESE STRATEGIES BY SHIFTING ACTIVITY TO THESE MODES,

THIS PROJECT WILL PROVIDE ADDITIONAL LANE CAPACITY NECESSARY TO SUPPORT THOSE OPERATIONS.

NEXT SLIDE, PLEASE.

THE PROJECT IS TO BE DELIVERED THROUGH FOUR CONSTRUCTION CONTRACTS. THE BRIDGE DEMOLITION CONTRACT IS THE FIRST ONE AND IT HAS ALREADY BEEN EXECUTED AND COMPLETED. WE ACHIEVED SUBSTANTIAL COMPLETION THIS PAST JANUARY, AS YOU CAN SEE IN THE PHOTOS. THE SECOND CONTRACT INCLUDES THE MAJORITY OF THE WORK. WE HAVE COMPLETED FINAL DESIGN AND ARE PREPARING TO ADVERTISE FOR CONSTRUCTION BIDS IN THE NEXT MONTH. THIS CONTRACT WILL ALSO BE SUPPORTED BY MULTIPLE UTILITY AGREEMENTS, WHICH WE'RE CURRENTLY FINALIZING. WE HAVE ALSO SELECTED THE ARTISTS FOR THE RETAINING WALL IMPROVEMENTS THAT IS, THE RETAINING WALL ALONG THE AIRFIELD THAT I MENTIONED PREVIOUSLY, AND WE'RE IN THE PROCESS OF FINALIZING THOSE DETAILS WITH THE ARTIST. NEXT SLIDE, PLEASE.

THE THIRD CONTRACT INCLUDES THE FABRICATION AND INSTALLATION OF THE CANOPY OVER THE RENTAL CAR TRANSIT CURB. THIS WORK WAS SEPARATED FROM THE MAIN CONTRACT SO ADDITIONAL TIME COULD BE TAKEN TO COMPLETE THE FOUNDATION DESIGN GIVEN THE COMPLEXITY OF THE UNDERLYING SERVICE TUNNEL STRUCTURE. WE HAVE COMPLETED 30% DESIGN AND WE ANTICIPATE COMPLETING DESIGN LATER THIS SUMMER. WE HAVE ALSO SELECTED THE ARTISTS FOR THE TRANSIT SEATING IN THIS LOCATION. I MENTIONED PREVIOUSLY THAT IN THE LOCATION EXHIBIT THAT IT ONLY REFLECTED THE EROSION CONTROL TREATMENT IN SOME AREAS. THE CHALLENGE IS THAT THE LANDSCAPING IMPROVEMENTS IN THOSE AREAS WILL BE DISPLACED BY THE PROPOSED FUTURE ROADWAY IMPROVEMENTS IDENTIFIED IN OUR SUSTAINABLE AIRPORT MASTER PLAN. SINCE WE WANT TO BE PRUDENT WITH OUR CAPITAL INVESTMENTS, WE HAVE CREATED A FOURTH CONTRACT TO PROVIDE THOSE ADDITIONAL LANDSCAPING IMPROVEMENTS IN THOSE AREAS. WE HAVE COMPLETED 60% DESIGN ON THAT WORK, AND WE ARE CURRENTLY KEEPING IT ON HOLD UNTIL WE GET A BETTER UNDERSTANDING OF THE IMPLEMENTATION TIMELINE FOR SAMP. WE'LL NEED TO MAKE A DECISION TOWARDS THE END OF 2024 ABOUT WHETHER TO MOVE FORWARD WITH THOSE IMPROVEMENTS OR NOT. NEXT SLIDE, PLEASE.

THE CURRENT BUDGET FOR THE PROJECT IS 79.1 MILLION AND WAS BASED UPON OUR 30% DESIGN EFFORT. WE HAVE NOW REACHED FINAL DESIGN AND OUR TOTAL ESTIMATED COST IS NOW 89 AND A HALF MILLION.

THIS IS AN INCREASE OF 10.4 MILLION. THESE COSTS ARE ATTRIBUTED TO THE FOLLOWING WE SEE A \$5 MILLION COST INCREASE FOR ADDITIONAL CONSTRUCTION COORDINATION AND PHASING. THERE IS A LOT OF CONSTRUCTION GOING ON AT THE AIRPORT, AND WE NEED TO MAINTAIN OPERATIONS FOR CUSTOMERS, EMPLOYEES AND OUR OPERATORS. WE'VE ALSO GIVEN THESE CHANGES, WE'VE ALSO SEEN A SIGNIFICANT INCREASE ON OUR STORMWATER MANAGEMENT COSTS SINCE WE'VE BEEN NEEDING TO MAINTAIN MULTIPLE SYSTEMS.

CONCURRENTLY, WE SAW A \$2.9 MILLION INCREASE IN HIGHER THAN ANTICIPATED ESCALATION. THESE ARE IN AREAS OF MEDIUM VOLTAGE, TRAFFIC CONTROL, LABOR AND FUEL.

WE SAW AN INCREASE IN THE LANDSCAPING COSTS OF 1.9 MILLION FOR THE ENHANCED LANDSCAPING CONSIDERED AS PART OF THE LANDSCAPE MASTER PLAN VISION FOR THE AIRPORT. AND WE ALSO SAW AN INCREASE OF 1.1 MILLION IN ADDITIONAL SCOPE CHANGES THAT INCLUDED CAMERAS TO SUPPORT OPERATIONS, THE REMOVAL OF ABANDONED INDUSTRIAL STORMWATER SYSTEM INFRASTRUCTURE, AND AN ALIGNMENT SHIFT TO SUPPORT FUTURE OPERATIONS DURING FUTURE ROADWAY CONSTRUCTION SO THAT WE DON'T IMPACT OUR TENANTS AND OPERATORS SIGNIFICANTLY. WE ARE ALSO RECEIVING SIX AND A HALF MILLION DOLLARS IN FEDERAL FUNDING THROUGH THE AIRPORT IMPROVEMENT PROGRAM. WE HAVE ALSO APPLIED FOR \$25 MILLION IN GRANT FUNDS TO THE 2023 RAISE GRANT PROGRAM, AND WE HOPE TO HEAR THAT WE'RE SUCCESSFUL WITH THAT THIS JUNE. THIS REQUEST TODAY ALSO INCLUDES THE TRANSFER OF \$527,000 THAT WERE AUTHORIZED AS PART OF THE TERMINAL SECURITY ENHANCEMENTS PROJECT AND UP TO \$3.8 MILLION FROM THE LANDSLIDE PAVEMENT PROGRAM PROJECT. THIS WILL ALLOW THE WIDE ARRIVALS PROJECT TO COMPLETE THE INSTALLATION OF THE BOLTARDS AT THE PORT END OF ARRIVALS AND COMPLETE THE PAVEMENT REHABILITATION SCOPE ON AIR CARGO ROAD AND ALONG THE SOUTHBOUND LANES OF THE NORTHERN AIRPORT EXPRESSWAY. AGAIN, WE'RE DOING THIS BECAUSE IT'S MORE COST EFFECTIVE TO THE PORT AND IT RESULTS IN FEWER IMPACTS TO OUR CUSTOMERS, TENANTS AND OPERATORS. THESE FUNDS WOULD BE IN ADDITION TO THE 89.5 MILLION THAT WE'VE IDENTIFIED ON THE SLIDE JUST FOR TRANSPARENCY AND COMMISSIONER CALKINS, THIS IS ITEM EIGHT J THAT YOU WERE TALKING ABOUT PREVIOUSLY IN THE MEETING. NEXT SLIDE, PLEASE. AS I MENTIONED, WE'LL BE IMPLEMENTING THE PROJECT THROUGH A SERIES OF FOUR CONSTRUCTION CONTRACTS. THE FIRST CONTRACT SUPPORTING THE BRIDGE DEMOLITION, WE ACHIEVED SUBSTANTIAL COMPLETION THIS PAST JANUARY. THE SECOND CONTRACT, WHICH IS THE MAJORITY OF THE WORK, SHOULD BE ADVERTISED FOR CONSTRUCTION BIDS AT THE END OF THIS QUARTER, AND WE PLAN TO ACHIEVE SUBSTANTIAL COMPLETION BY FIRST QUARTER 2026. THE THIRD CONTRACT FOR THE RENTAL CAR TRANSIT CANOPY SHOULD BE ADVERTISED LATER THIS YEAR, AND WE HOPE TO REACH SUBSTANTIAL COMPLETION BY THE END OF FIRST QUARTER 2024 IF WE MOVE FORWARD WITH THE ADDITIONAL LANDSCAPING IMPROVEMENTS. WE'LL NEED TO REACH THAT DECISION TOWARDS THE END OF 2024 SO WE CAN FINISH DESIGN AND COMPLETE WORK AGAIN BY FIRST QUARTER 2026. I'M VERY HAPPY TO SAY, SINCE I'M A BIG SOCCER FAN, THAT WE'LL GET ALL THIS DONE BEFORE WE HOST FIFA AND THE WORLD CUP. NEXT SLIDE, PLEASE. LASTLY, I WANTED TO MENTION THE UPGRADE SEA CAMPAIGN. EXTERNAL RELATIONS AND CUSTOMER EXPERIENCE HAVE PUT TOGETHER A COMPREHENSIVE INFORMATION AND MARKETING CAMPAIGN HIGHLIGHTING OUR CAPITAL PROGRAM. THIS PROJECT WILL BE DESCRIBED AS ROADWAY IMPROVEMENTS. AS PART OF THAT CAMPAIGN, THE UPGRADE SEA TEAM WILL BE LEVERAGING ADVERTISING, MEDIA TOURS, SOCIAL MEDIA, AS WELL AS A PROJECT PAGE ON THE PORT'S WEBSITE TO CONVEY

INFORMATION TO OUR CUSTOMERS. NEXT SLIDE, PLEASE. THIS EXHIBIT IS AN EXAMPLE OF THE INFORMATION THE UPGRADE SEA TEAM WILL PROVIDE ON THE PROJECT PAGE. AS YOU CAN SEE, IT DEPICTS THE OVERALL IMPROVEMENTS IN HOW OUR VARIOUS USER GROUPS WILL NAVIGATE THE FUTURE ROADWAY SYSTEM. I WOULD REALLY LIKE TO TAKE A MOMENT AND RECOGNIZE THE WORK THAT THIS TEAM HAS DONE AND THEIR VISION IN THE 25 YEARS THAT I'VE BEEN WORKING IN THE AVIATION CAPITAL PROGRAM. THIS WAS REALLY THE MOST COMPREHENSIVE AND INTEGRATED PUBLIC OUTREACH CAMPAIGN THAT I'VE YET TO EXPERIENCE. SO I'M REALLY LOOKING FORWARD TO WORKING WITH THEM AS WE MOVE FORWARD. NEXT SLIDE, PLEASE.

IN CLOSING, I'D LIKE TO SUMMARIZE OUR REQUESTED ACTION TODAY FOR THE COMMISSION. WE'RE REQUESTING AUTHORITY TO ADVERTISE AND AWARD UP TO THREE CONTRACTS TO EXECUTE UTILITY AGREEMENTS SUPPORTING THE RELOCATION OF UTILITIES FOR THE WORK, TRANSFERRING \$527,000 OF BUDGET FROM THE TERMINAL SECURITY ENHANCEMENTS, AND TRANSFERRING UP TO \$3.8 MILLION OF BUDGET FROM THE LANDSITE PAVEMENT PROGRAM. IN ADDITION, WE'RE REQUESTING AN ADDITIONAL AMOUNT OF 73.6 MILLION BE AUTHORIZED FOR A TOTAL PROJECT AUTHORIZATION OF 89 AND A HALF MILLION. ARE THERE ANY QUESTIONS FROM THE COMMISSION? QUESTIONS? COMMISSIONER CALKINS, COULD WE GO BACK TO SLIDE 14? I THINK IT WAS THAT MAP IS REALLY HELPFUL.

SO FIRST I WANT TO TALK ABOUT ONE OF THE WHAT I THINK IS ESSENTIAL COMPLEMENTARY EFFORTS BY THE AVIATION TEAM ON THIS PARTICULAR ONE, WHICH IS THE STUDY BEING CONDUCTED IN COORDINATION WITH ENROLL, AND THAT'S USING DIGITAL TWINS TO LOOK AT TO MODEL TRAFFIC FLOWS ACROSS MODES.

GIVE US A LITTLE BIT OF AN UNDERSTANDING SO FAR, WHAT WE KNOW FROM THAT PRELIMINARY ON THAT STUDY. HOW ARE WE GOING TO ACCOMMODATE THOSE 66 MILLION PASSENGERS THAT WE NEED TO TRY TO ACCOMMODATE? HOW DOES THIS PROJECT PLAY A PART OF THAT? AT THE SAME TIME AS WE GOING BACK TO OUR JUSTIFICATION SLIDE ON PAGE SIX WORK TO ACTUALLY REDUCE THE ABSOLUTE NUMBER OF PEOPLE BEING PICKED UP AND DROPPED OFF IN SINGLE OCCUPANCY VEHICLES ON THE ARRIVALS AND DEPARTURES DRIVE. SO I'LL TAKE A SHOT AT THAT. I THINK TO ANSWER THE FIRST QUESTION, THE ROLE THIS IS THE BEGINNING, I THINK OF THANK YOU, HEATHER. OF IMPROVING ACCESS FOR THE MODES THAT WE LOOK AT AS PERFORMING BETTER THAN A STANDARD PRIVATE OCCUPANCY VEHICLE. AND THAT MEANS THAT WE NEED TO PROVIDE ACCESS FOR THOSE VEHICLES. SO FOR TNCS TAXIS. FLAT RATE VEHICLES. THEY ARE ABLE TO MAKE TWO TRIPS IN THEIR VERY EFFICIENT MODES BECAUSE THEY COME IN, THEY DROP SOMEBODY OFF AND THEY PICK SOMEBODY UP ON THE WAY OUT. IDEALLY, THAT'S WHAT WOULD HAPPEN. SO WE'VE MADE SOME CHANGES JUST IN THE IMMEDIATE TERM. FOR INSTANCE, MAKING HELIX THREE AVAILABLE FOR TNC PROVIDES MORE LIABILITY FOR REMATCH CUSTOMERS. SO WE'VE DONE THAT. THIS IS ALONG THOSE LINES AS WE'RE PROVIDING THAT

DEDICATED ACCESS. AND AS YOU'LL SEE THE GREEN LINE HERE, THAT DEDICATED ACCESS TO THE GARAGE, WHERE IS THE THIRD FLOOR GROUND TRANSPORTATION CENTER. THE TNCs AND TAXIS WILL ACCESS THAT AREA. SO THAT'S ONE THING IS TO CONSIDER THAT THIS IS THE BEGINNING OF TRYING TO PROMOTE THOSE MODES. MAKE SURE THOSE MODES CONTINUE TO HAVE PREFERRED ACCESS OR BETTER ACCESS SHOULD TO SAY THEY'RE NOT IN THE MIX WITH EVERYBODY ELSE, AS WE SAW IN THAT EARLIER PART OF THE PRESENTATION. WAITING TO GET TO THE TERMINAL IN A LONG LINE OF CARS OUT TO 518. SO THAT'S PART OF THE GOALS OF THIS PROJECT IS TO SEPARATE TRAFFIC AND PROVIDE THAT ACCESS. AND I THINK THE SECOND PART WAS ABOUT A NATIONAL RENEWABLE ENERGY LABORATORY AND THE WORK WE NEED TO UNDERSTAND THE BEHAVIORAL IMPLICATIONS OF WHAT BOTH TIME AND ENERGY IT TAKES TO GET TO THESE FACILITIES AND WHAT KIND OF INFLUENCE THEN WHEN WE CHANGE ACCESS THAT MIGHT HAVE ON THE MODE ON MODE SPLIT. SO WE OFTEN THROUGH GTAP, TALK ABOUT OUR PREFERRED MODE GOALS, TRYING TO REDUCE THAT POV MODE, SORRY, PRIVATE OCCUPANCY VEHICLE, STAY AWAY FROM ACRONYMS DOWN TO ABOUT 30% TO MEET THOSE 23 EMISSION GOALS AND OUR OVERALL CUSTOMER SERVICE GOALS. AND SO THIS PROJECT SUPPORTS THAT. NREL IS THE NEXT PIECE. IT'S A BIT MORE ADVANCED. IT TAKES SOME ANALYSIS AND CONSIDERATION BY THIS COMMISSION ABOUT WHAT PARTS OF THAT WOULD BE FEASIBLE. AND SO WE'RE STILL IN THOSE STAGES AND DISCUSSIONS. AND PART OF THAT IS JUST EVOLVING OUR COMMUNICATION WITH THE COMMISSIONER CHO THE AVIATION COMMITTEE AND MAKING SURE WE'RE BRINGING THOSE RESULTS AND CONCLUSIONS BACK SO THAT YOU CAN REVIEW AND THEN WE CAN HAVE A DIALOGUE ABOUT WHAT THE NEXT STEPS ARE. SO THAT'S HOW I'D RESPOND TO THAT. COMMISSIONER. PETER, CAN YOU REMIND US WHAT THE PERCENTAGE RIGHT NOW IS? IT'S AROUND 40%. SO WE NEED TO DROP BY 10% AS PASSENGER LEVELS. CRIME, EVEN A DROP IN PERCENTAGE COULD STILL MEAN AN ABSOLUTE CLIMB. CORRECT? IT'S ALWAYS FUNNY TO ME BECAUSE IT'S SORT OF LIKE A JOKE IN TRAVEL THAT I HAVE TO GO PICK UP MY LOVED ONES FROM THE PORT. AND YET THAT'S EXACTLY WE'RE TRYING TO MAKE IT SO THAT PEOPLE WOULD PREFER NOT TO GET PICKED UP, THAT IT'S SO EASY TO USE OTHER MODES, THAT THEY'LL TAKE LIGHT RAIL OR THEY'LL TAKE A TNC, OR A TAXI OR A SHUTTLE BUS OR A METRO BUS. I'M DEEPLY APPRECIATIVE THAT STAFF HAS TAKEN THAT MESSAGE FROM COMMISSION AND SAID THAT IS WHAT WE'RE GOING TO WORK ON IS ADDRESSING THAT PARTICULAR MODE SHIFT. AND I JUST WANT TO POINT OUT SOME OF THE THINGS YOU JUST SAID, WHICH IS THAT GREEN LINE THAT WE SEE THERE LEADING FROM KIND OF THE ORANGE ALL TRAFFIC TO THE LOWER GARAGE, THAT IS THE DEDICATED LINE FOR TRANSPORTATION NETWORK COMPANIES AND SHUTTLES AND OTHER TAXIS. CORRECT. AND NO PRIVATE OCCUPANCY VEHICLE CAN GO INTO THAT PORTION OF THE GARAGE EVEN TODAY? RIGHT? TODAY, THAT'S CORRECT. IT'S ONLY AUTHORIZED FOR THOSE VEHICLES. AND THE PORT OF THE WORK THAT WE'RE GETTING FROM NREL WILL HELP

US TO UNDERSTAND MAYBE AT WHAT POINT IN THE EXPRESSWAY WE BEGIN TO SORT OF DELINEATE WHICH VEHICLES CAN GO WHERE. CORRECT. SO WE'RE GOING TO USE STATE OF THE ART TRAFFIC MODELING TO FIGURE OUT HOW DO WE REDUCE CONGESTION AS MUCH AS POSSIBLE, WHETHER THAT'S A MILE BACK OR A QUARTER MILE BACK OR RIGHT WHERE IT SHOWS IN THIS. WE WILL USE THAT TWIN TO THAT DIGITAL TWIN TO TRY TO DETERMINE THAT BEFORE WE PUT IT IN PRACTICE, RIGHT? THAT'S THE INTENT. YES, EXACTLY. OKAY.

AND I THINK THAT'S IT. THANK YOU SO MUCH. AND THANK YOU FOR CLARIFYING MY MISUNDERSTANDING WHAT WAS ON CONSENT AND WHAT WASN'T. AND I APPRECIATE THAT WE GET TO HAVE THIS CONVERSATION.

COMMISSIONER FELLEMAN, THANK YOU AGAIN FOR THIS ONGOING DISCUSSION. AND I GUESS ONE OF THE THINGS JUST IN THE TERMS OF MEETING THE CENTURY AGENDA OBJECTIVE IN THIS TERM OF GREENEST, MOST ENERGY EFFICIENT PORT IN NORTH AMERICA, WHAT WE CITE FOR THIS EXAMPLE IS THAT WE'RE MEETING AGENCY REQUIREMENTS FOR STORMWATER LEAVING PORT OWNED AND OPERATED FACILITIES. THAT THE FACT THAT STORMWATER MANAGEMENT WOULD BE THE THING THAT'S BEING CALLED OUT FOR THIS PROJECT SEEMS ODD.

SORRY. SO, COMMISSIONER, CAN YOU REFER BACK TO THE SLIDE, PAGE THREE OF THE MEMO, IS THAT CORRECT? OF THE POWERPOINT OF THE POWERPOINT CLERK? CAN WE GO TO PAGE THREE? THANK YOU. WELL, IT'S ACTUALLY HIDDEN IN THE BLUE BAND. OKAY.

SO, HEATHER, IF YOU COULD JUST SPEAK A LITTLE BIT ABOUT THE CIVIL IMPACTS HERE. SO IN TERMS OF WHAT THE PROJECT IS DOING, IN TERMS OF THE BRICK AND MORTAR THAT WE'RE BUILDING, IT IS TRUE THAT WE'RE ONLY IMPROVING OUR STORMWATER FACILITIES TO MEET THIS OBJECTIVE. HOWEVER, THIS PROJECT IS PROVIDING ADDITIONAL LANE CAPACITY FOR GROUND TRANSPORTATION AND PUBLIC PARKING THAT WE'VE TALKED ABOUT, WHICH WILL HELP THOSE FUTURE POLICIES THAT WE PUT IN PLACE AS PART OF THE GROUND TRANSPORTATION FRAMEWORK. SO IT SEEMED A LITTLE DISINGENUOUS TO CLAIM MORE BECAUSE WE'RE REALLY NOT DOING IT AS PART OF THE PROJECT OUTSIDE OF WE'RE SETTING THE FRAMEWORK TO SUPPORT WHAT'S COMING. DOES THAT HELP? I APPRECIATE THE CLARIFICATION.

IT'S STILL NOT REALLY WHAT ULTIMATELY IT'S LIKE THE REASON FOR THE CONSTRUCTION VERSUS THE CONSTRUCTION PROJECT. RIGHT. SO WE'RE TALKING ABOUT IN THE COURSE OF BUILDING THIS ROADWAY, WE'RE CAPTURING OUR STORMWATER, BUT IT DOESN'T TALK ABOUT WHY WE'RE BUILDING THE ROADWAY. I THINK THAT'S MORE THE FIRST ITEM TO A CERTAIN EXTENT. AND ALSO THE THIRD ITEM THAT WAS THERE. OKAY, SO JUST IN TERMS OF ITS ENVIRONMENT, WE'RE JUST TALKING ABOUT MODE SHIFT AND PEOPLE OUT OF SINGLE VEHICLES, BUT IT'S NOT REFLECTED AS ONE OF THE CENTURY GENDER GOALS BEING MET. SO I JUST THINK IF IT'S NOT THE GOAL, THEN IT'S A CHALLENGE. AND THE OTHER THING IS, AS I MENTIONED IN MY OPENING COMMENTS, WAS IF THE GOAL REALLY IS MODE SHIFT AND WE HAVE ALL

THIS CONSTRUCTION DEBRIS GOING ON, SHALL WE SAY, THE IDEA OF DOING SOMETHING TO GET THE RAIL STATION. EASIER ACCESS THE PASSENGER, EASIER ACCESS TO THE TERMINAL. I MEAN, THE SHUTTLE. THE GOLF CART IS NICE, AND I APPRECIATE BEING PART OF GETTING THAT GOING IS ONE OF THE FIRST THINGS I WORKED ON HERE. BUT IT'S LIMITED IN ITS CAPABILITIES IN ANY AIRPORT WHERE THE DAM HAS MOVING SIDEWALKS, AND WE WERE TOLD WE CAN'T DO THAT BECAUSE THE STRUCTURE WASN'T BUILT WITH THAT AND MEANT TO BE DESIGNED. BUT HERE WE'RE MESSING, WE'RE MAKING NEW STUFF. AND SO WHY ISN'T THE PORT OF THIS CONSIDERATION AT THIS TIME? WELL, SO IT'S A REALLY GOOD QUESTION. I THINK WHEN YOU GO TO THAT FIRST SLIDE, THE SLIDE I HAD ABOUT THE FRAMEWORK, WE LOOK AT THE DIFFERENT KINDS OF PROJECTS THAT WE'RE TALKING ABOUT, OR INITIATIVES. TRANSIT IS A PART OF THAT. TO BE HONEST, THE MOVING SIDEWALK IDEA IS PART OF OUR LONG TERM PLANS, OUR NEAR TERM STRATEGIC AIRPORT MASTER PLAN CONCEPT FOR A TRANSPORTATION CENTER, OVER THE GROUND TRANSPORTATION LOT. THAT'S WHERE THAT MOVING SIDEWALK IS PLANNED TO GO. SO TO THE EXTENT THAT WE CAN MOVE THOSE PROJECTS FORWARD, WE'LL SEE THAT SOONER. RIGHT NOW, OUR OPPORTUNITY IS REALLY THROUGH THE GARAGE, AS YOU JUST MENTIONED AND DISCUSSED. IT'S A LIMITED SERVICE WITH THE CART SERVICE, AND IT ISN'T SORT OF SEMI ENCLOSED, BUT EXPOSED TO THE ELEMENTS AND THE WIND AND THAT SORT OF THING. I THINK MOVING FORWARD, WE'RE LOOKING AT GETTING THAT INTEGRATED INTO BOTH THAT TRANSPORTATION NORTHEAST TRANSPORTATION CENTER AND ALSO THAT LINK TO THE OTHER PART OF THE LIGHT RAIL STATION. SO IF YOU LOOK AT THE GEOGRAPHY OF THE LIGHT RAIL STATION, WILL HAVE A DIFFERENT CONNECTION AS WELL. BUT ISN'T THE TRANSPORTATION CENTER SORT OF CONTINGENT ON THE NEW TERMINAL? IT IS CONTINGENT UPON THE MASTER PLAN. YEAH, IT'S ONE OF THE NEAR TERM PROJECTS IN THE MASTER PLAN. THAT'S CORRECT. IT'S A HUGE PHASE. LATER, IT WOULD REQUIRE A WHOLE NOTHER TERMINAL DEVELOPMENT. CORRECT. AND I WILL SAY TO CHANGE THE STRUCTURE OF THE GARAGE TO ACCOMMODATE MOVING SIDEWALKS WOULD TAKE A SIMILARLY SUBSTANTIVE AND SUBSTANTIAL PROJECT TO OKAY, I APPRECIATE THAT. SO THE ONLY THING IS IF YOU'RE LOOKING AT IF I'M LOOKING AT THIS PICTURE WHERE THE GREEN LINE COMES IN TO THE DEDICATED SHUTTLES TO THE TERMINAL RIGHT. AND IF YOU SAW THE LIGHT RAIL, I'M JUST THINKING THAT IF IT WAS TERMINATING CLOSER TOWARDS THAT SAME TERMINUS RIGHT. AGAIN, THIS WOULD BE DONE WITH AN ASSOCIATION WITH OTHER AGENCIES AND THINGS LIKE THAT, BUT I DON'T KNOW WHAT AIRPORT IN THE WORLD HAS THIS LOUSY KIND OF CONNECTION FROM THE CITY CENTER TO THE MAJOR TRANSPORTATION OF THE ENTIRE FOUR STATE REGION? I MEAN, IT JUST IS AMAZING TO ME. AND SO THIS IS NOT A CHEAP UNDERTAKING, I UNDERSTAND, BUT IT'S NOT, LIKE, EASY TO YOU WANT TO FACILITATE THIS KIND OF USE. THE PORT EVEN HAVE DIRECT BUS SERVICE. SO I

JUST DON'T KNOW. WE TALK ABOUT MODE SHIFT,
BUT YOU HAVE TO MAKE AN OPTION WORTH SHIFTING TO.
SO THE IDEA OF WAITING
TO BUILD A NEW TERMINAL BEFORE WE CAN FIX THIS
SEEMS TO ME TO BE KIND OF AN UNREASONABLE TIME
FRAME FOR US IF WE'RE REALLY SERIOUS ABOUT GETTING
PEOPLE OUT OF THEIR CARS. AND I DON'T KNOW, MAYBE
IT'S FOR OBVIOUSLY IT'S ABOVE YOUR PAY GRADE TO
MAKE THAT DECISION, BUT I JUST HAVE TO LAY IT OUT
THERE THAT THIS IS TWEAKING AROUND THE EDGES.
IT'S A START. RIGHT? BUT IT'S NOT A SMALL START.
RIGHT. IT'S A HUGE BUDGET, \$89 MILLION,
AND WE STILL DON'T HAVE FAST TRANSIT. BUT THANK
YOU FOR SHARING THIS LONG TERM PLAN.
ALL RIGHT, COMMISSIONER HASEGAWA.
ALL RIGHT, SO UM
CLARIFYING QUESTION. PART OF THIS PROJECT
IS ALSO THE TERMINAL SECURITY ENHANCEMENTS
PROJECT. AND WAS THAT ADDRESSED? DOES THAT
SEEK TO ADDRESS SOME OF THE INEFFICIENCIES IN
SECURITY SCREENING EXPERIENCED BY PASSENGERS?
THE TERMINAL SECURITY ENHANCEMENTS PROJECT IS A
SECURITY BALLARD PROJECT. AND SO WE'RE INSTALLING
BOLTARDS ON DEPARTURES ARRIVALS ACROSS THE SKY
BRIDGES AND AT THE COURTESY VAN PLAZA IN THE
GARAGE. THE REASON WHY WE'RE TRANSFERRING TO SCOPE
THE WIDE ARRIVALS IS THE AREA WHERE WE'RE
RELOCATING THE TRANSIT CURVE WAS AN AREA PROPOSED
FOR TREATMENT, AND IT MAKES SENSE TO DO IT ONCE,
NOT TWICE, WHICH IS WHY WE'RE SHIFTING IT INTO
WINE RIVALS. OKAY. AND I JUST WANT TO ACKNOWLEDGE
AND ECHO THE COMMENTS BY COMMISSIONER CALKINS AND
COMMISSIONER FELLEMAN THAT IT'S NOT JUST ABOUT
EXPANDING CAPACITY. IT'S ALSO ABOUT PROMOTING
EFFICIENCIES. AND SO GETTING FOLKS
OUT OF CARS FOR SINGLE DUAL PASSENGER VEHICLES,
DOING ONE OFF DROP OFFS VERSUS HAVING HIGHER
CAPACITY, HIGHER OCCUPANCY VEHICLES COMING
THROUGH, AND BEING ABLE TO DO THAT HAS TO BE A
PART OF OUR FRAMEWORK. RIGHT. THAT'S GOT TO BE THE
INTEGRAL COMPONENT, MASS TRANSIT.
IF IT'S NOT A PART OF THE PLAN, IT'S NOT A REAL
PROPOSAL, IN MY OPINION. THE OTHER FOLKS
WHO ARE IN TERMS OF EFFICIENCY AND GETTING THEM TO
THE AIRPORT, IT'S NOT JUST ABOUT PASSENGERS. IT'S
ALSO ABOUT EMPLOYEES. PART OF THE GTAP
WAS SUPPOSED TO BE A CONVERSATION WHERE SOME OF
THE ACTUAL EMPLOYERS LOOKED
FOR A WAY TO BE ABLE TO ENTER INTO A PROGRAM WHERE
THEY COULD SUBSIDIZE THE COST FOR AN ORCA PASS FOR
THEIR EMPLOYEES. AND I'M WONDERING IF
WHERE THAT CONVERSATION IS TODAY. YEAH,
SO THAT'S A GOOD QUESTION. AND IT'S RELATED TO THE
TRANSPORTATION MANAGEMENT ASSOCIATION CONCEPT,
AND I THINK THE REST OF THE GTAP WORK IF YOU LOOK
AT THE INITIATIVES AND STRATEGIES THAT WE OUTLINED
IN THAT FRAMEWORK, THE EMPLOYMENT
SO RELATIONSHIP, WE DO HAVE A GTAP MANAGER WHO
WORKS ON THE TMA CONCEPTS. AND THAT WOULD BE ONE
OF THEM WOULD BE KIND OF THE ORCA PASS FOR
EMPLOYEES. THIS WOULD BE NOT
JUST FOR PORT EMPLOYEES, BUT I THINK YOU'RE
REFERRING TO ALL AIRPORT EMPLOYEES.

YEAH, WE'RE MAKING THOSE CONTACTS NOW WITH DELTA AIRLINES, ALASKA AIRLINES, AV AIR PROS, OUR ATO REPRESENTATIVE TO ATR RATHER AIRPORT TECHNICAL REPRESENTATIVE TO TRY START THOSE CONVERSATIONS THEN WITH THE MAJOR EMPLOYERS AT THE AIRPORT ABOUT WHAT WE CAN LEVERAGE FROM THEM. AND PORT OF SEATTLE TO DEVELOP A SPECIFIC INITIATIVE THAT WOULD TARGET SOMETHING LIKE A TRANSIT PASS. ALSO OTHER COMMUTE BENEFITS LIKE FIRST AND LAST MILE, WHAT WE CAN DO, THE IMMEDIATE TERM AND THERE SHOULD BE A PLAN THEN, AND WE'LL WANT TO EVOLVE THIS CONVERSATION THEN THROUGH THE AVIATION COMMITTEE ABOUT WHAT'S THE PLAN AND THEN WHAT WE'RE GOING TO DO THIS YEAR AND THE NEXT AND THE FOLLOWING YEAR. SO THAT'S WHERE WE'RE AT RIGHT NOW, STARTING THOSE CONVERSATIONS WITH DELTA, ALASKA, THE ATR, AND THEN TRYING TO FRAME UP WHAT THE SPECIFIC INITIATIVES WORK PROGRAM WILL BE FOR THE TMA. SO WHEN YOU'RE SAYING STARTING THOSE CONVERSATIONS, WHAT DOES THAT MEAN? SO IT MEANS THAT WE MADE CONTACTS WITH THEIR COMMUNITY TRIP REDUCTION REPRESENTATIVES, MEMBERSHIPS OF THOSE THAT SHOULD HAVE HAPPENED A YEAR AGO. UNDERSTOOD. SO WE'RE MAKING THOSE CONTACTS AND WE ARE JUST NOW, RECENTLY WE ARE MAKING THOSE CONTACTS. WE MADE A HIRE LAST SUMMER TO PROVIDE A FULL TIME RESOURCE FOR GTAP AND THE TMA. HE IS ON BOARD AND WORKING DILIGENTLY TO UNDERSTAND THE LANDSCAPE OF ISSUES AND TRYING TO DEVELOP THESE STRATEGIES SO THAT THEY AT LEAST HAVE SOME RECOMMENDATIONS FOR THE COMMISSIONER BEFORE WE IMPLEMENT. AND THAT WOULD BE ONE POLICY DIRECTIVE UNDER GTAP THAT WOULD COME BEFORE THE AVIATION COMMITTEE THAT'D BE ACTED UPON BY THE COMMISSION. EXACTLY. DO WE HAVE A GENERAL TIMELINE BY THIS NEW HIRE ABOUT HOW THIS BUDDING CONVERSATION CAN PROCEED IN A TIMELY FASHION? YEAH, I DON'T HAVE A DATE FOR YOU TODAY, BUT WE'LL CERTAINLY WORK ON ONE. OKAY, I THINK THAT SOUNDS LIKE TO ME THAT WOULD BE A REFERRAL TO COMMITTEE. MAYBE NOT AT THIS TIME BECAUSE IT'S JUST BEGINNING, BUT WE'RE WATCHING. SO NOTEWORTHY. COMMISSIONER WSDOT, I BELIEVE IT'S ALREADY ON OUR WORK PLAN FOR THE YEAR. IT IS VERY GOOD TRANSIT PASSES FOR SCA EMPLOYEES AS A PART OF THE GTAP IS ON PART OF THE AVIATION COMMITTEE WORK PLAN. THANK YOU, AVIATION COMMITTEE MEMBERS. YOU ALL SO PRODUCTIVE. OKAY, THANK YOU. AND THEN MY OTHER QUESTION IS ABOUT THE ADDITIONAL SCOPE INCREASES AND COORDINATION REQUIREMENTS. CAN YOU ELABORATE ON THAT PLEASE, IN TERMS OF THE SPECIFICS, THE \$5 MILLION COST INCREASE. YES. THE LARGEST COST INCREASE ASSOCIATED WITH THIS ASK. YEAH, I BELIEVE TWO AND A HALF MILLION OF THAT WAS ASSOCIATED IN STORMWATER MANAGEMENT COSTS. AGAIN, BECAUSE WE'RE HAVING TO RUN MULTIPLE SYSTEMS AT THE SAME TIME. SO INSTEAD OF WORKING FROM ONE AREA TO THE OTHER, WE'RE NOW MANAGING MULTIPLE AREAS AT THE SAME TIME. AND I BELIEVE WE HAVE ABOUT TEN DIFFERENT CAPITAL PROJECTS THAT ARE ALSO UNDERGOING CONSTRUCTION ADJACENT TO OR IMMEDIATELY UPSTREAM OR DOWNSTREAM OF THE WORK THAT WE'RE PERFORMING.

THAT IS CREATING INEFFICIENCIES IN THE WORK THAT WE'RE DOING. AND SO YOU CAN ONLY DO SO MUCH BEFORE THEY COME IN AND DO THEIR WORK AND THEN WE COME BACK IN AND DO MORE OF OUR WORK LEAVE THEY COME IN AND DO MORE OF THEIR WORK TYPE OF INEFFICIENCIES WHEN I SAY THAT. AND SO THAT'S THE COST INCREASE THAT WE'RE FORECASTING THAT WE ANTICIPATE SEEING IN THE BIDS BECAUSE OF THOSE REQUIREMENTS THAT WE INCLUDE IN OUR CONTRACT TO COORDINATE. OKAY. AND SO THIS OVERALL ASK IS ABOUT IMPROVEMENTS TO EXISTING FOOTPRINT, DOES NOT INCLUDE EXPANSION, EXPANSION OF THE TERMINAL BUILDING. YOU'RE CORRECT. WE ARE ADDING THOSE TWO ADDITIONAL TRAVEL LANES THAT WE MENTIONED FOR GROUND TRANSPORTATION AND PUBLIC PARKING. OKAY. AND THEN DOES ANY OF THAT INCLUDE IMPROVEMENTS TO THE CELL PHONE LOT? NO, THE IMPROVEMENTS TO THE CELL PHONE LOT WERE COMPLETED RECENTLY WITH THE AIR CARGO ROAD IMPROVEMENTS PROJECT THAT WAS COMPLETED LAST YEAR. OKAY, THANK YOU. NO FURTHER QUESTIONS. COMMISSIONER MOHAMMED?

WELL, FIRST I WANT TO JUST START OFF BY SAYING CONGRATULATIONS TO THE NEW COO ON YOUR POSITION. WELCOME BACK TO THE PORT AND WE'RE EXCITED TO HAVE YOU HERE. MY QUESTION IS REGARDING PAGE ELEVEN, THE SPECIFIC FACTORS CONTRIBUTING TO THE INCREASED COST. SO I WANTED TO KNOW, COULD YOU JUST MAYBE ELABORATE A LITTLE BIT ON THE 2.9 FOR HIGHER THAN ANTICIPATED ESCALATIONS? WHAT ARE THOSE SPECIFICALLY? WHEN WE DID OUR ESTIMATE AT 30% DESIGN, WE INCLUDED AN OVERALL ESCALATION FACTOR. I BELIEVE WE ASSUMED 5%. WHAT WE'VE SEEN IS HIGHER THAN 5% ON A COUPLE OF DIFFERENT ITEMS. I BELIEVE IT WAS MEDIUM VOLTAGE, ELECTRICAL INFRASTRUCTURE, TRAFFIC CONTROL, LABOR AND FUEL. SO THOSE PRICES HAVE INCREASED MORE THAN THAT 5% THAT WE ALLOCATED. THAT'S REALLY HELPFUL. THE OTHER QUESTION I HAD WAS WHAT MEASURES ARE PUT IN PLACE TO PREVENT ADDITIONAL INCREASES OR COST ESCALATIONS? AT THIS TIME, WE'VE COMPLETED DESIGN, AND SO THIS IS OUR BEST ESTIMATE OF COST. YOU'VE SEEN THE COST CERTAINTY CHART THAT WE'VE SHARED WITH YOU BEFORE, THE TRIANGLE THAT SHOWS AS YOU MOVE FURTHER DOWN DESIGN, YOU KIND OF NARROW THAT WINDOW ON COST. AND SO WE'RE GETTING TOWARDS THE END OF THAT TRIANGLE, BUT THERE STILL IS COST UNCERTAINTY WHAT WE'RE LOOKING AT WHEN WE GO TO BID. WE'RE TRYING TO ACHIEVE OUR PRICING WITHIN 10% OF THAT VALUE. AND RIGHT NOW WE'RE FEELING PRETTY CONFIDENT, BASED UPON THE INFORMATION THAT WE HAVE, THAT WE'RE WITHIN 10% OF THE PRICE THAT WE'RE SHOWING. SO, UNFORTUNATELY, I CANNOT GUARANTEE THAT WE WILL COMPLETE THE WORK WITHIN BUDGET BECAUSE I DO NOT KNOW WHAT BIDS WE WILL RECEIVE. AND A LOT OF THIS IS DEPENDENT UPON THE MARKET CONDITIONS AND THE NUMBER OF CONTRACTORS WHO ARE INTERESTED IN THIS WORK. AND WE'VE TRIED TO STRATEGIZE AND PREPARE THESE CONTRACTS TO MAXIMIZE THE COMPETITIVENESS OF THESE CONTRACTS SO WE GET A BETTER PRICE. SO IS THAT 10% A NEW THING THAT YOU GUYS INCLUDED, OR IS THAT JUST YOUR NORMAL PRACTICE AND THESE INCREASES

CAN POTENTIALLY HAPPEN IN THE FUTURE? THOSE ARE THE PERCENTAGES THAT ARE SHOWN ON THAT CHART. AND HISTORICALLY, WE'VE BEEN TRYING TO BE WITHIN 10%, EITHER ABOVE OR BELOW THE ESTIMATED BID VALUES. AND THEN IT'S PAGE 14 KIND OF GOING BACK TO COMMISSIONER FELLEMAN'S POINTS AROUND THE LIGHT RAIL ISSUE. WHEN YOU GET OFF THE LIGHT RAIL AND HEADING INTO THE AIRPORT, THAT IS REALLY CHALLENGING FOR FOLKS WHO ARE TRAVELING, ESPECIALLY INTERNATIONAL. AND I TOTALLY HEARD YOU GUYS ON MOVING AND MOVING SIDEWALK AND BUZZING IN SUPPORT OF GOLF CARTS, BUT I DEFINITELY DO THINK THAT IS SOMETHING THAT WE SHOULD TAKE UP IN THE AVIATION COMMITTEE AND FIND ALTERNATIVES. WHETHER THAT IS SHUTTLES, IT'S CLOSE TO IMPOSSIBLE IF YOU'RE ESPECIALLY TRAVELING INTERNATIONAL AND HAVE SUITCASES WITH YOU THAT ARE ABOUT 50 POUNDS EACH. AND SO I'LL LET YOU RESPOND. HAPPY TO, COMMISSIONER MOHAMMED. SO I THINK WHAT I'M HEARING IS THAT WE'LL TAKE THAT UP IN THE AVIATION COMMITTEE. WE'LL TALK SOME MORE ABOUT WHAT SOME IDEAS MIGHT BE TO EITHER ENHANCE THAT SERVICE OR WHAT THE CAPITAL IMPLICATIONS WOULD BE FOR, LIKE, A MOVING SIDEWALK. I THINK IT'S GOOD TO BRING THAT BACK TO THE FLOOR. I'VE HEARD IT TWICE TODAY, AND I THINK IT WOULD JUST HELP US TO KIND OF GROUND OURSELVES AND WHAT THAT WOULD MEAN FOR THAT EXISTING FACILITY. YEAH, AND I WONDERED ABOUT KIND OF GOING BACK TO PAGE ELEVEN ON THE FEDERAL FUNDING PIECE. SO ARE THOSE REIMBURSEMENTS THAT WE WILL BE SEEKING OUT OR HOW DOES THAT WORK? IF WE WERE SUCCESSFUL IN GETTING THE RAISE GRANT, THAT'S \$25 MILLION OF FUNDING THAT WOULD BE MADE AVAILABLE TO US. AND IT'S A REIMBURSEMENT APPROACH, SO WE WOULD PAY FOR THE MONEY FIRST AND THEN SEEK REIMBURSEMENT FROM FEDERAL HIGHWAYS FUNDING FOR SUCCESSFUL. ALL RIGHT, I JUST HAD ONE LAST COMMENT ABOUT THE PASSES FOR EMPLOYEES AT THE AIRPORT. ARE WE TALKING TO THE AIRLINES ALSO ABOUT POSSIBLY SURVEYING SOME OF THE EMPLOYEES? BECAUSE I THINK IT'S NOT JUST THE ORCA PASSES THAT PEOPLE ARE STRUGGLING WITH, BUT IT'S ALSO EVEN THOSE WHO DRIVE AND DON'T HAVE THE SHUTTLE SYSTEMS ARE NOT ALWAYS EFFECTIVE. AND SO IS THERE A HOLISTIC APPROACH? AND, I MEAN, WE'LL TAKE THAT UP ON AVIATION. BUT I WAS WONDERING IF YOU JUST HAD SOME COMMENTS AROUND THAT. MOST OF OUR SURVEY WORK HAS BEEN FOCUSED ON CUSTOMERS, SO IT'S SOMETHING WE'D HAVE TO THINK ABOUT. AND I THINK THAT WAS PART OF THE TMA. TYPICALLY, YOU DO A SURETY EFFORT AS PART OF YOUR INITIAL STAND UP OF THE TMA TO UNDERSTAND WHAT THE COMMUTE PATTERNS ARE. YOU CAN SURVEY THE ORGANIZATIONS, BUT YOU ALSO WANT TO KNOW FROM THE CUSTOMERS THEMSELVES SO WE'LL EMBED THAT INTO THE TMA WORK PROGRAM AS WELL. THAT ASSESSMENT WILL BE IMPORTANT. AND THAT CONCLUDES MY COMMENTS AND THANK YOU ALL. ALL RIGHT, HEARING. NO FURTHER QUESTIONS FOR THIS ITEM. IS THERE A MOTION? IN A SECOND. SO MOVED. DON'T ALL SPEAK AT ONCE. YOU DON'T WANT TO SECOND

IT? SECOND. ALL RIGHT, THE MOTION HAS BEEN MADE AND SECONDED. CLERK HART, PLEASE CALL THE ROLL FOR THE VOTE. COMMISSIONER, PLEASE SAY YOUR NAME WHEN YOUR NAME IS CALLED. THANK YOU. BEGINNING WITH COMMISSIONER CALKINS. AYE. THANK YOU. COMMISSIONER FELLEMAN. AYE. THANK YOU. COMMISSIONER HASEGAWA. AYE. THANK YOU. COMMISSIONER MOHAMMED. AYE. THANK YOU. COMMISSIONER CHO. AYE. THANK YOU. FIVE AYES, ZERO NAYS FOR THIS ITEM. ALL RIGHT, THE MOTION PASSES. THANK YOU VERY MUCH. WE ARE NOW MOVING TO ITEM ELEVEN, PRESENTATIONS AND STAFF REPORTS. CLERK HART, PLEASE READ THE NEXT ITEM INTO THE RECORD. EXECUTIVE DIRECTOR METRUCK WILL THEN INTRODUCE THE ITEM. WE'RE ABOUT TEN MINUTES BEHIND, BUT I THINK WE CAN MAKE IT UP. THANK YOU. THANK YOU. THIS IS AGENDA ITEM ELEVEN A THE 2022 FINANCIAL PERFORMANCE BRIEFING COMMISSIONERS, WE'RE PLEASED TO SHARE THE RESULTS OF LAST YEAR'S FINANCIAL PERFORMANCE WITH YOU. THE PORT OF SEATTLE SAW STRONG FINANCIAL PERFORMANCE IN 2022 DUE TO PRUDENT BUDGETING AND CAREFUL COST MANAGEMENT, WHICH LED TO SIGNIFICANT NET REVENUE. AS YOU'LL SEE, HOWEVER, THERE ARE STILL SIGNIFICANT ECONOMIC HEADWINDS THAT REINFORCE OUR NEED TO CONTINUE TO BE CONSERVATIVE IN OUR BUDGETING. THE RECOVERY OF OUR AVIATION, MARITIME AND ECONOMIC DEVELOPMENT BUSINESSES WAS ROBUST IN 2022, MOSTLY, MOST NOTABLY THE HISTORIC CRUISE SEASON THAT WAS OUR BIGGEST EVER. HOWEVER, 2022 SEA PASSENGER LEVELS WERE BELOW BUDGET AND 11.4% LOWER THAN 1999. AS I MENTIONED, THE REPORT YOU'LL HEAR TODAY IS VERY POSITIVE. AND SO I WANT TO THANK THE ENTIRE PORT STAFF FOR THEIR COMMITMENT TO CAREFUL FINANCIAL MANAGEMENT, TO MAXIMIZING REVENUES WHERE POSSIBLE, AND TO REDUCING EXPENSES. I ALSO WANT TO SHARE MY APPRECIATION TO THE BIDEN ADMINISTRATION AND THE WASHINGTON CONGRESSIONAL DELEGATION FOR THE SIGNIFICANT FEDERAL FUNDING THAT WE WERE ABLE TO UTILIZE TO STRENGTHEN OUR FINANCIAL PERFORMANCE THAT YOU'LL HEAR ABOUT. THE IMPACT OF THOSE KEY TO OUR PLANNING IS UNDERSTANDING WHAT ONE TIME FUNDING IMPACTED IS HOW ONE TIME FUNDING IMPACTED OUR OVERALL RESULTS. FOR EXAMPLE, WHILE REVENUES WERE 43.3 MILLION OVER PUGET, WE WERE SUPPORTED BY FEDERAL PANDEMIC RELIEF DOLLARS THAT ARE EXPIRING AND CAN'T BE COUNTED ON. SIMILARLY, THE OPERATING EXPENSES WERE 23.4 MILLION BELOW BUDGET, MAINLY DUE TO 15.6 MILLION CREDIT RELATED TO THE PORT'S PUBLIC PENSION PLANS OF WHICH WE'VE TALKED ABOUT IN THE PAST. OVERALL, THE STATE OF THE PORT'S FINANCES ARE STRONG, WHICH ALLOWS US TO MAKE ESSENTIAL INVESTMENTS IN OUR WORKFORCE, OUR INFRASTRUCTURE, OUR OPERATIONS, AND THE COMMUNITY. I LOOK FORWARD TO ANSWERING ANY QUESTIONS YOU HAVE AS THE STAFF WALKS THROUGH TODAY'S PRESENTATION. AND THE PRESENTERS ARE DAN THOMAS, CHIEF FINANCIAL OFFICER. MICHAEL TONG, DIRECTOR OF CORPORATE BUDGET, FINANCE, AND BUDGET, AND HAN YEN, INTERIM DIRECTOR, AVIATION, FINANCE AND BUDGET. KELLY ZUBAN,

DIRECTOR, SEAPORT FINANCE AND BUDGET. AND I THINK WE HAVE ALSO, THE MANAGING DIRECTORS ARE AVAILABLE IF THERE'S ANY QUESTIONS FOR THEM AS WELL. SO WITH THAT, I'M GOING TO TURN OVER TO DAN. THANK YOU, STEVE. GOOD AFTERNOON, COMMISSIONERS. IF WE COULD PULL UP THE FIRST SLIDE.

NEXT SLIDE, PLEASE. SO STEVE COVERED MOST OF THESE HIGHLIGHTS, SO I WON'T GO INTO ANY DETAIL OR REPEATING ANY OF THEM. ONE THING I DID WANT TO NOTE, THOUGH, UNDER THE FOURTH BULLET ABOUT OPERATING REVENUES, ONE OF THE DRIVERS HERE THAT'S NOT SPECIFICALLY LISTED ALSO WAS THE CRUISE REVENUES. BECAUSE OF THE RECORD CRUISE SEASON THAT STEVEN MENTIONED.

I DID WANT TO MAKE A NOTE ON THE STATE PENSION CREDIT WHICH STEVE REFERENCED. SO THIS IS THE RESULT OF AN ANNUAL CALCULATION THAT THE STATE DOES AN ACTUARIAL EVALUATION ON THE VALUE OF THE VARIOUS STATE PENSION SYSTEMS, AND WE DON'T GET THAT ACTUAL NUMBER UNTIL THE END OF THE YEAR. SO WHAT WE BUDGET FOR ARE JUST OUR ACTUAL CASH CONTRIBUTIONS TO THE VARIOUS PENSION SYSTEMS.

BUT TOWARDS THE END OF THE YEAR, WHEN WE GET THE ACTUAL WHEEL VALUATION, WE GET THE ACTUAL EXPENSE. FROM AN ACCOUNTING STANDPOINT, WE HAVE TO MAKE A NON CASH ADJUSTMENT TO RECONCILE THOSE TWO. AND THE REASON THAT THE CREDIT IS POSITIVE AND IT'S THE FACT THAT IT'S BEEN RUNNING POSITIVE FOR THE PAST FEW YEARS IS LARGELY DUE TO THE OUTPERFORMANCE OF THE STOCK MARKET. SO WE DO EXPECT THAT THAT COULD POSSIBLY REVERSE IN FUTURE YEARS. AS WE KNOW, THE MARKET IS NOT DOING AS WELL THIS YEAR. SO WE COULD SEE A REVERSAL OF THAT TREND IN THE FUTURE AND ACTUALLY HAVE TO BOOK A LITTLE BIT OF A HIGHER EXPENSE THAN WHAT WE HAD BOOKED AS PART OF OUR CONTRIBUTIONS.

BUT IN OUR PRESENTATION TODAY, WE SHOW YOU BOTH WITH AND WITHOUT THE CREDIT BECAUSE WE WANT TO BE VERY TRANSPARENT ABOUT OUR ACTUAL PERFORMANCE NET OF THE CREDIT. I ALSO WANT TO JUST

MAKE A FEW NOTES ABOUT OUR AUDITED FINANCIAL STATEMENTS, WHICH WE ARE WORKING ON RIGHT NOW. THEY SHOULD BE RELEASED PROBABLY IN THE MAY TIME FRAME. AND I WANTED TO NOTE THAT THERE WILL BE SOME DIFFERENCES IN OUR PUBLISHED FINANCIAL REPORTS COMPARED TO OUR INTERNAL STATEMENTS THEY'RE REVIEWING WITH YOU TODAY. AND THE REASON IS BECAUSE THERE'S BEEN AN ACCOUNTING RULE CHANGE FOR HOW WE HANDLE OPERATING LEASES, WHICH WE IMPLEMENTED FOR THE FIRST TIME FOR 2022.

AND IT REALLY HAS TO DO WITH THAT DIFFERENCE IN HOW WE ACCOUNT FOR OPERATING OPERATING LEASES. ESSENTIALLY, OPERATING LEASES IN THE FUTURE WILL BE HANDLED MORE LIKE CAPITAL LEASES AS OPPOSED TO HOW WE'VE BOOKED THEM IN THE PAST. INITIALLY, WE WILL BOOK THEM ON OUR BALANCE SHEET AS ASSETS AND LIABILITIES, BUT ON THE INCOME STATEMENT, WE'RE GOING TO HAVE TO BREAK OUT OUR OPERATING LEASE PAYMENTS INTO OPERATING REVENUES AND NON OPERATING REVENUES. AND THAT'S BECAUSE OF THIS NEW ACCOUNTING PRONOUNCEMENT. AND ON THE INCOME STATEMENT,

THE EFFECT WILL BE A LITTLE BIT OF A DIFFERENCE IN HOW WE'RE COMPARING TO OUR NUMBERS HERE, BECAUSE THE OPERATING REVENUE COMPONENT WILL ACT MORE LIKE A PRINCIPAL PAYMENT, WHEREAS THE NON OPERATING COMPONENT WILL BE MORE LIKE AN INTEREST REVENUE. THAT'S HOW THEY'LL BE BOOKED ON OUR PUBLISHED FINANCIAL STATEMENTS. SIMILARLY, ON FOR OPERATING LEASE EXPENSES, WE'LL BE BREAKING THEM INTO OPERATING AND NON OPERATING COMPONENTS. AND SINCE THE MAJORITY OF OUR LEASES WE SERVE AS THE LESSOR, THE GREATEST IMPACT WILL BE ON OUR OPERATING REVENUES AND ALSO AN INCREASE IN NON OPERATING REVENUES, WHICH BASICALLY OFFSET ONE ANOTHER SO THAT THEY REALLY HAVE NO IMPACT ON THE BOTTOM LINE. WE HAVE VERY FEW LEASES WHERE WE ARE THE LESSEE, SO THERE'S VERY LITTLE IMPACT ON OUR EXPENSES. AND JUST TO GIVE YOU A SENSE OF THE ORDER OF MAGNITUDE, OUR NET INCOME ON OUR PUBLISHED FINANCIAL STATEMENTS, NET OPERATING INCOME WILL BE ABOUT \$11 MILLION LESS THAN WHAT YOU'RE SEEING IN THE NUMBERS TODAY. AND WE HAVE ELECTED NOT TO USE THAT APPROACH FOR OUR INTERNAL REPORTING BECAUSE WE FELT WE WANT TO BE MORE TRANSPARENT ABOUT OUR ACTUAL PERFORMANCE. AND WE FELT THAT NEW ACCOUNTING RULE CAN DISTORT THE ACTUAL PERFORMANCE. YOU HAVE THE FULL REPORT AS PART OF YOUR PACKET. AND WE ALSO HAVE A LOT MORE INFORMATION IN THE APPENDIX TO TODAY'S PRESENTATION. SO WITH THAT, I'LL TURN IT OVER TO HAN TO TALK ABOUT THE AVIATION FINANCIAL RESULTS. HAN, AS STEVE MENTIONED, IS SERVING AS OUR INTERIM DIRECTOR OF AVIATION FINANCE AND BUDGET UPON THE RECENT RETIREMENT OF MORGAN ANDERSON. SO WITH THAT, I'LL TURN IT OVER TO HAN. GREAT. THANK YOU SO MUCH, DAN. GOOD AFTERNOON, COMMISSIONERS. MY NAME IS HAN WYNN, AND I AM THE INTERIM DIRECTOR OF AVIATION, FINANCE AND BUDGET. NEXT SLIDE, PLEASE. THE PASSENGER FORECAST FOR 2022, THE PASSENGER VOLUME REBOUNDED AND WAS AT 20. NEXT SLIDE, PLEASE. 2022 PASSENGER VOLUME REBOUNDED AND WAS AT 27.1% HIGHER THAN THE FULL YEAR OF 2021. FOR 2023, WE ARE FORECASTING A 5.7% LOWER THAN THE 2019 LEVEL. WE ARE ANTICIPATING A RETURN TO THE 2019 LEVEL PASSENGER LEVEL RECOVERY BY 2025. NEXT SLIDE, PLEASE. OKAY, NEXT SLIDE, PLEASE. THANK YOU. WE'RE PLEASED TO REPORT THAT THE SEATAC'S FINANCIAL PERFORMANCE CAME IN EXCEPTIONALLY WELL. I WILL HIGHLIGHT THE MAJORITY COMPONENT OF THIS SLIDE. THE FOLLOWING ONE SLIDE BACK. THANK YOU. I WILL HIGHLIGHT THE MAJOR COMPONENT OF THIS SLIDE, AND FURTHER DETAILS WILL BE PRESENTED IN THE FOLLOWING SLIDES. MOVING DOWN TO THE NET OPERATING INCOME, AFTER THE FEDERAL RELIEF, THE NET OPERATING INCOME WAS AT 425,000,000, WHICH IS \$68 MILLION HIGHER THAN BUDGET. SOME OF THE MAJOR DRIVERS INCLUDE WE MAXIMIZE THE USE OF THE FEDERAL RELIEF GRANTS. WE DILIGENTLY MANAGE THE OPERATING EXPENSES TO SLIGHTLY

LOWER THAN BUDGET. THE PENSION CREDIT, AS YOU HEARD OF \$12 MILLION, PROVIDED A LARGER VARIANCE. OUR TOTAL REVENUES ENDED IN A HIGHER THAN BUDGET. MAJORITY OF THAT IS DUE TO THE NON AERONAUTICAL REVENUES. THAT WILL BE DISCUSSED IN DETAILS LATER. SO MOVING DOWN TO THE CHART, IN THE LOWER CHART. THE KEY MEASURES ARE ALSO WELL ABOVE BUDGET. THE FEDERAL RELIEF GRANTS SUPPORT THE GROWTH OF THE AIRPORT DEVELOPMENT FUND BALANCE AND HIGHER DEBT SERVICE COVERAGE. ANOTHER METRUCK IS OUR COST PER EMPLOYMENT, WHICH IS HIGHER DUE TO THE LOWER EMPLOYMENT THAN BUDGET. THE CAPITAL SPENDING CAME IN LOWER THAN ANTICIPATED DUE TO SEVERAL PROJECT DELAYS.

NEXT SLIDE PLEASE.

THE OPERATING EXPENSES CAME IN AT 3.8% FAVORABLE, DRIVEN PRIMARILY DUE TO THE DELAY IN THE EXPENSE SPENDING IN THE AIRLINE REALIGNMENT AND THE 12.3 MILLION OF PENSION CREDIT. THE FAVORABLE VARIANCES WERE OFFSET WITH LESS SALARY CHARGES TO CAPITAL AND THE SNOW EVENT THAT HAPPENED. NEXT SLIDE PLEASE.

ON THE NON AERONAUTICAL REVENUES. THE NON AERONAUTICAL REVENUES IS BASED PRIMARILY ON AIRLINE COST RECOVERY. OUR FINANCE TEAM MANAGED EXTREMELY WELL TO MAXIMIZE THE USE OF THE FEDERAL COVID RELIEF GRANTS AND THE PASSENGER FACILITY CHARGES TO REDUCE THE AIRLINE RATE BASED COST. THE ACTUAL REVENUE WAS AT 403,000,000, SLIGHTLY HIGHER THAN BUDGET.

NEXT SLIDE PLEASE.

ON THE NON AERONAUTICAL REVENUE SIDE FOR 2022, WE CAME IN AT 276,000,000 WITH THE COVID CONCESSION GRANTS. THIS REFLECTED THE PASSENGER VOLUME INCREASE BY 27.1% COMPARED TO PRIOR YEAR, CONTRIBUTING TO A HIGHER SPENDING IN NON AIRLINE REVENUES.

NEXT SLIDE PLEASE. AS YOU

CAN SEE, THE NON AERONAUTICAL REVENUE EXCEEDED BUDGET AND THE LANDSLIDE REVENUES CONTINUE TO RECOVER STRONGLY, ESPECIALLY IN PARKING, RENTAL, CAR AND GROUND TRANSPORTATION DUE TO HIGH DEMAND FROM RETURNING PASSENGERS. AIRPORT DINING AND RETAIL REVENUE REFLECTS A REDUCTION IN THE OPERATING REVENUE DUE TO THE FEDERAL CONCESSION RELIEF GRANTS, BUT THESE ARE OFFSET BY THE NON OPERATING GRANT REVENUE. SO IT'S A CASH FLOW NEUTRAL. ON THE OTHER REVENUES, IT REFLECTS A DELAY IN THE AMEX LOUNGE OPENING AND LOWER LOUNGE VISIT, WHICH PARTIALLY OFFSET BY STRONG PERFORMANCE IN THE INFLIGHT KITCHEN REVENUE AND ALL CLEAR CONCESSION REVENUES.

NEXT SLIDE PLEASE. AS STEVE MENTIONED, THE FEDERAL RELIEF GRANTS, WE RECOGNIZE THAT BUILDING OF OUR CASH FUND BALANCE IS CRUCIAL TO THE SUSTAINING THE FINANCIALLY DURING A MAJOR ECONOMIC EVENT. DURING THE PANDEMIC, WE STRATEGICALLY MANAGED THE \$410,000,000 OF THE COVID GRANTS WELL TO SUCCEED OUTPERFORMANCE OBJECTIVES FOR 2022,

149,000,000 IN FEDERAL RELIEF GRANTS WERE USED AND THIS HELPED US INCREASE OUR CASH

FUND BALANCE FOR 2023.

THERE IS ABOUT 13.8 MILLION AVAILABLE OF THE FEDERAL RELIEF GRANTS REMAINING.

NEXT SLIDE PLEASE.

OUR DEBT SERVICE COVERAGE CAME IN AT 2.64 VERSUS A 2.3. SO BASICALLY THE DEBT SERVICE IS SAYING THAT IS WHAT IS OUR CASH AVAILABLE AFTER OUR DEBTS PAYING OUR DEBT SERVICE. SO IT'S A STRONG BALANCE, A STRONG RATIO OF 2.64. THE THREE MAIN DRIVERS INCLUDE WE HAD HIGHER NON AERONAUTICAL REVENUES, WE WERE ABLE TO MAINTAIN OUR OPERATING EXPENSES AND ALSO WITH THE PENSION CREDIT.

WE MADE A DECISION TO CLAIM AS MUCH OF THE FEDERAL RELIEF GRANTS IN 2022 AND REDUCE THE PFC REVENUES USED TO OFFSET DEBT SERVICE. INSTEAD, WE ARE BUILDING THE CASH FUND BALANCE FOR 14 MONTHS OF ONM IN 2022 TO MANAGE FINANCIAL SUSTAINABILITY. WE ENDED THE YEAR WITH A STRONG ADF BALANCE.

SO NEXT SLIDE, PLEASE.

SO, AS YOU CAN SEE, OUR BEGINNING BALANCE FOR THE YEAR WAS THAT 341. AND WE BUILT THE CASH FUND BALANCE AND WE ENDED THE YEAR AT 494,000,000. AND THIS HAD A CUSHION OF ABOUT \$13 MILLION HIGHER THAN OUR TARGET.

NEXT SLIDE, PLEASE.

ON THE CAPITAL SPENDING SIDE, WE WERE SPENDING AT ABOUT 60% AGAINST BUDGET. SEVERAL OF THE PROJECTS WERE DELAYED DUE TO DESIGN DELAY ON THE SEATAC GATEWAY. THIS IS THE NORTH MAIN TERMINAL PROJECT. OUR BAGGAGE CLAIM PROJECT DELAY WERE DUE TO THE MATERIALS AND THE IAF OPENING OUR C CONCOURSE. THERE WERE COST LOADING OF THE SCHEDULE UP FRONT. SO WE CORRECTED THAT LOADING OF THE COST SCHEDULE. FOR THE NOISE PROGRAM, WE HAVE SEVERAL. THERE WAS DELAY IN THE CASH FLOW SPENDING AND A FEW OF THE APARTMENTS PROGRAM, THE SOUND INSTALLATIONS. THE PARTICIPATION RATE IS NOT THERE FOR THE OTHER PROJECTS. THERE ARE SEVERAL REASONS FOR THE MAJOR DELAY DUE TO SCHEDULE, THE RESULT OF THE SUPPLY CHAIN, LONG LEAD TIME DISRUPTION, AND THE DURATION IN OUR PROCUREMENT PROCESS THAT'S TAKING LONGER THAN EXPECTED. SO AT THIS TIME,

I CAN TURN OVER TO KELLY

ZOOP IN GO, THROUGH THE MARITIME AND EDD UNLESS THERE'S QUESTIONS. IF YOU WANT TO, WE CAN GO THROUGH THE ENTIRE THING. GREAT. CIRCLE BACK. THANK YOU.

ALL RIGHT, NEXT SLIDE, PLEASE.

THANKS, HAN, FOR THE PRIOR PRESENTATION. GOOD AFTERNOON. COMMISSIONERS AND EXECUTIVE DIRECTOR METRUCK. THE NEXT SEVERAL SLIDES,

I WILL TAKE YOU THROUGH THE SEAPORT FINANCIAL PERFORMANCE IN 2022. PARDON ME.

MANAGING DIRECTORS STEPHANIE JONES STEVENS AND DAVE MCFADDEN ARE AVAILABLE. IF YOU HAVE ANY QUESTIONS OR CLARIFICATIONS. WE'D LIKE TO START WITH SOME REVENUE DRIVING METRICS FOR KEY BUSINESSES AND PROPERTIES. AFTER AN UNEXPECTEDLY

HIGH CARGO VOLUME IN 2021, WE RETURNED IN 2022 TO A LEVEL THAT IS IN LINE WITH WHAT WAS BUDGETED AND MORE OF A HISTORICAL NORM. CRUISE HAD BY FAR THE MOST CALLS IN HISTORY AND SLIGHTLY EXCEEDED THE 75% OCCUPANCY AMOUNT BUDGETED. THIS ALSO GENERATED A RECORD HIGH IN PASSENGER VOLUMES AS WELL. GRAIN VOLUMES RETURNED TO MEAN AND THE SCHILSHOLE BAY MARINA IMPROVED OCCUPANCY BY ALMOST 4% YEAR OVER YEAR FROM 2021. THE KEY DRIVER AT SCHULTZ BAY MARINA WAS PROCESS IMPROVEMENTS IMPLEMENTED BY THE RECREATION BOATING TEAM OUT THERE THAT HAVE HELPED SIGNIFICANTLY IMPROVE TURNAROUND TIMES FOR MORTGAGE. NEXT SLIDE, PLEASE.

FINANCIALLY, THE SEAPORT HAD AN OUTSTANDING YEAR EXCLUDING PENSION ADJUSTMENTS. OPERATING INCOME WAS \$20 MILLION BETTER THAN BUDGET AND NEARLY \$16 MILLION ABOVE 2021.

CREWS REPRESENTED THE MAJORITY OF THE GROWTH, ALONG WITH A SUCCESSFUL BACK HALF OF THE YEAR FOR OUR CONFERENCE AND EVENT CENTERS. WE EXPECT TO SEE INCREMENTAL REVENUE GROWTH IN 2023 AS CRUISE SHIPS GET CLOSER TO FULL OCCUPANCY AND THE TERMINAL 106 GROUND LEASE BEGINS TO TAKE WITH TREMBLE, CROW BEGINS TO TAKE FULL EFFECT. AFTER THAT, REVENUE WILL START LEVELING OUT A BIT UNTIL THE TERMINAL 91 UPLANDS BEGINS LEASING OR A NEW BUSINESS OR INVESTMENT TAKES SHAPE. NEXT SLIDE, PLEASE.

ONE MORE.

MARITIME HAD A SUCCESSFUL 2022 FINANCIALLY BETWEEN A STRONG RECOVERY IN CRUISE AND IMPROVED UTILIZATION OF OUR MARINAS.

EXPENSES INCLUDED ABOUT \$1.5 MILLION OF CAPITAL REVERTING TO EXPENSE, PRIMARILY CENTERED ON THE CLOSING OF FISHERMAN'S TERMINAL GATEWAY BUILDING PROJECT DELAYS FROM PIER 66, SHORE POWER AND OTHER SMALL PROJECTS HAVE PUSHED SOME CAPITAL OUT. AND DO NOTE THERE ARE AN ADDITIONAL 17 SLIDES IN THE APPENDIX FOR ENVIRONMENTAL, WATERFRONT PROJECT MANAGEMENT AND OTHERS SHOWING ACHIEVEMENTS SUCH AS AGREEING TO PURCHASE RENEWABLE NATURAL GAS ACROSS 36 OF OUR WATERFRONT BUILDINGS. NEXT SLIDE, PLEASE.

THIS SLIDE ELABORATES FURTHER ON THE 2022 FINANCIAL RESULTS. WE EXCLUDED PENSION ADJUSTMENTS, SO THE VARIANCES ARE APPLES TO APPLES. AS MENTIONED BEFORE, THERE WAS NEARLY 50% REVENUE GROWTH IN MARITIME AS WE SAW THE IMPACT OF A FULL SEASON OF CRUISE EXPENSES GREW 25%, OR JUST OVER HALF THE RATE OF REVENUE. THIS EXPENSE GROWTH WAS SEEN PORT WIDE IN 2021 INCLUDED, AND IT INCLUDED SIGNIFICANT AUSTERITY MEASURES THAT WE HAD IN 2021 BASED ON TARGETED HIRING FREEZES AND SOME PANDEMIC RELATED REVENUE LOSS. NEXT SLIDE, PLEASE.

THE STORMWATER UTILITY OPERATING INCOME WAS ABOUT \$700,000 FAVORABLE TO BUDGET. MOST OF THIS WAS DRIVEN BY SOME OPEN MAINTENANCE POSITIONS.

AT A YEAR END, STORMWATER UTILITY RESERVE FUND BALANCE WAS \$5.2 MILLION, OR ABOUT \$1.7 MILLION HIGHER THAN OUR TARGET, WHICH IS 50% OF REVENUE. THIS BALANCE WILL BE MONITORED AND FACTORED IN WHEN THE TEAM PRESENTS TO COMMISSION THE STRATEGY AND PLAN FOR RATES THIS FALL. NEXT SLIDE, PLEASE.

HERE IS A SNAPSHOT OF THE NORTHWEST SEAPORT ALLIANCE FINANCIAL PERFORMANCE FOR 2022. THE CONTAINER VOLUMES WERE DOWN 11.4% FROM 2021, WHICH IMPACTED THE MAG REVENUE OR MINIMUM ANNUAL GUARANTEE REVENUE. AT TERMINAL 18, THERE WERE SOME NEW LEASES AND INCREASED BRAKE BULK VOLUME THAT HELPED OFFSET THE LOWER CONTAINER VOLUMES. THE BIGGEST DRIVER TO THE FAVORABLE DISTRIBUTABLE INCOME WAS THE TIMING OF MAINTENANCE PROJECTS AND LOWER ADMINISTRATIVE COST. SO WE BASICALLY GOT HIGHER DISTRIBUTABLE INCOME THAN WE THOUGHT WE WOULD GET. MOST OF THAT WAS DUE TO SAVINGS AT THE SEAPORT ALLIANCE. OKAY, NEXT SLIDE, PLEASE. HERE YOU'LL SEE THAT DISTRIBUTABLE INCOME AS THIS IS THE PNL FOR THE JOINT VENTURE, ABOUT \$6 MILLION. OF THAT WE WERE ABOUT \$6 MILLION FAVORABLE TO BUDGET AND DISTRIBUTABLE INCOME FROM THE ALLIANCE, AND ANOTHER MILLION AND A HALF FAVORABLE OR HIGHER THAN EXPECTED FROM TENANT REIMBURSEMENTS AND TEMPORARY USE OF THE PORT OF SEATTLE SECTION OF TERMINAL 46 THAT WAS LEASED OUT ON SOME TEMPORARY LEASES FROM PCMC AND PMA. FROM THE EXPENSE SIDE, THERE WAS A LIABILITY BOOKED RELATED TO THE DISPOSAL OF FREE PRODUCT THAT WAS RELEASED UNEXPECTEDLY WHILE DRIVING A PILE DURING THE INSTALLATION OF THE BULL RAIL RELATED TO THE TERMINAL FIVE DEVELOPMENT. NEXT SLIDE, PLEASE.

NOW I'LL SPEAK ABOUT ECONOMIC DEVELOPMENT DIVISION. DESPITE SOME COVID VARIANT HEADWINDS IN Q ONE OF 2021, THE BELL STREET PARKING GARAGE, CONFERENCE AND EVENT CENTERS, ALONG WITH OUR REAL ESTATE LEASES OUTPERFORMED THE REST OF THE YEAR AND ONLY MISSED A REVENUE BUDGET BY \$1 MILLION. EXPENSES CAME IN UNDER BUDGET BY \$4 MILLION. IN PART DUE TO THE COST CONTAINMENT AT CONFERENCE AND EVENT CENTERS, WHICH LED TO THE HIGHEST GROSS MARGIN EVER OUT THERE. THERE WAS ALSO SIGNIFICANT SAVINGS AND ECONOMIC DEVELOPMENT GRANTS AS WE MOVED TO A TWO YEAR MATCHING CYCLE. WE ANTICIPATE THIS GRANT SPENDING TO INCREASE SIGNIFICANTLY IN 2023 AS CITIES COMPLETE THEIR TWO YEAR PROJECTS. NEXT SLIDE, PLEASE.

EXCLUDING THE PENSION ADJUSTMENTS, THE OPERATING LOSS FOR ECONOMIC DEVELOPMENT DIVISION IMPROVED BY 4.6 MILLION FROM 2021 TO JUST UNDER 6.5 MILLION, WHICH IS THE MOST FAVORABLE WE'VE HAD SINCE THE FORMATION OF THE NORTHWEST SEAPORT ALLIANCE IN 2015. CAPITAL SPENDING WAS 9 MILLION, OR ABOUT 86% OF BUDGET, AS MOST OF THE APPROVED PROJECTS FURTHER ALONG, THE CONE OF UNCERTAINTY ARE COMING IN AS

EXPECTED. AGAIN, THERE IS SIGNIFICANTLY MORE DETAIL IN THE APPENDIX AND PLEASE REACH OUT IF YOU WANT A DEEPER DIVE INTO A SPECIFIC BUSINESS OR PROPERTY. THANKS.

I'LL GO AHEAD AND TURN IT OVER TO MICHAEL TONG NOW. BRING IN MICHAEL TONG NOW TO GO THROUGH THE CENTRAL SERVICES RESULTS AND ALSO THE PORT WIDE VIEW. THANKS, KELLY.

GOOD AFTERNOON, COMMISSIONER AND EXECUTIVE DIRECTOR METRUCK.

THE TABLE ON THE LEFT IS A SUMMARY OF THE FINANCIAL FOR CENTRAL SERVICES. ON THE REVENUE SIDE, WE WERE 2.3 MILLION FAVORABLE TO THE BUDGET. IF YOU LOOK AT THE FAR RIGHT COLUMN THERE, AND MAINLY DUE TO A COUPLE OF REASONS. ONE IS THAT ALL FOR THE POLICE DEPARTMENT. ONE IS THE BUDGET FOR FEATURES REVENUE, AND THE OTHER IS THE ADJUSTMENT FOR THE STATE PENSION CREDIT FOR THE ENFORCEMENT OFFICER THERE. AND ON THE EXPENSES SIDE, WE WERE JUST 174,000 FAVORABLE TO THE BUDGET. WITHOUT THE PENSION CREDIT AND WITH THE PENSION CREDIT, WE WERE 6.8 MILLION FAVORABLE TO THE BUDGET. ON THE CAPITAL EXPENDITURE, WE SPENT ONLY 6.2 MILLION OF THE 10.9 MILLION OF THE 2022 BUDGET. NEXT SLIDE, PLEASE.

THIS CHART ON THE LEFT SAW THE OPTING EXPENSES, WHICH IS ALMOST WHITE ON THE BUDGET, 0.1% FAVORABLE. THAT'S THE CLOSEST AND AS GOOD AS WE CAN GET TO THE BUDGET. WHILE THE BUDGET VARIANTS WERE VERY SMALL, THERE WERE SOME INS AND OUTS FROM DIFFERENT ACCOUNTS WHICH SAW ON THE LEFT HAND SIDE OF THE CHART THE SALARY AND BENEFIT COMBINED WITH JUST 1.1 MILLION, OR 0.5 OF THE BUDGET FAVORABLE TO THE BUDGET. OUTSIDE SERVICES WERE 2 MILLION UNDER BUDGET, BUT OTHER EXPENSES WERE 2.3 MILLION OVER BUDGET AND MAINLY DUE TO A COUPLE OF REASONS. ONE IS THE UNBUDGETED LEGAL EXPENDITURE, THE OTHER IS THE INSURANCE PREMIUM, WHICH IS HIGHER THAN WHAT WE EXPECTED WHEN WE PUT THE BUDGET TOGETHER. NEXT SLIDE, PLEASE.

THIS CHART SHOWED THE OPERATING EXPENSES FROM THE COVID-19, 019 TO 2022. AS YOU CAN SEE FROM THE CHART HERE, WE HAVE BEEN ABLE TO KEEP THE COST RELATIVELY FACT FOR THREE YEARS FROM 2019 TO 2021, BY TAKING SOME POTENT BUDGET MANAGEMENT MEASURE THAT OUR EXECUTIVE DIRECTOR MENTIONED A LITTLE BIT. EARLIER, INCLUDING THE HIRING FEES AND REDUCED TRAINING AND OTHER EXPENDITURE, ESPECIALLY IN 2000 AND 22,021, WHILE ALSO INCREASING SPENDING ON SOME OF THE COMMITTEE PROGRAMS SUCH AS THE SOUTH KING COUNTY COMMITTEE IMPACT FUND AND THE YOUTH CAREER LAUNCH PROGRAM. WE HAVE BEEN PRETTY SIGNIFICANTLY INCREASED THOSE EXPENDITURE ON SOME OF THE COMMITTEE PROGRAM FOR THE PAST FEW YEARS. YOU CAN ALSO SEE THE EXPLANATION ON THE 2022 BUDGET VARIANCE AS WELL AS THE CHANGES FROM 2021 TO 2022. ACTUAL COMPARISON ON THE WHITE

SIDE OF THE SLIDE HERE. SO I WON'T GO INTO DETAIL UNLESS YOU HAVE QUESTIONS. NEXT SLIDE PLEASE. NEXT ONE. ONE MORE. THANK YOU. THIS CHART SHOWED THE BREAKDOWNS OF THE OPERATING REVENUES FROM THE COVID 2019 TO THE 2022 BY OUR NAUTICAL REVENUE, WHICH IS THE BLUE BAR HERE, AND ALSO THE AIRPORT REVENUE, WHICH IS THE GREEN BARS. AND THEN THE LIGHT BLUE ONE IS THE LONG AIRPORT REVENUES. AND ALSO THE RED ONE IS THE EXPENSES OVER THE PAST FEW YEARS. AND THE GREEN LINE IS THE EXCUSE ME, THE BLUE LINE IS THE NET OPERATING INCOME. JUST WANT TO HIGHLIGHT A COUPLE OF POINTS HERE FOR THIS CHART FOR YOU. FIRST ONE IS THE OPERATING REVENUES WENT UP FROM THE 700 MILLION MARKED IN 2019 PER COVID LEVEL TO OVER 800 MILLION LAST YEAR. AND YOU CAN ALSO SEE A PRETTY STEADY CLIMB IN TERMS OF THE OFFERING REVENUES FROM 2020 TO 2022. AND THEN THE SECOND POINT I WANT TO MAKE IS THAT THE 2022 PORTWIDE OPERATING REVENUES WERE ALSO 43 MILLION HIGHER THAN THE BUDGET. SO PRETTY STRONG PERFORMANCE THERE. LAST POINT THAT I WANT TO MAKE IS THE NET OPERATING INCOMES IN 2022 ALSO EXCEED THE 2019 PER COVID LEVEL AND ALSO 51 MILLION BETTER THAN THE BUDGET. THE LAST ONE THAT I ALSO WANT TO POINT OUT IS THAT WE INVESTED 11.6 MILLION IN 17 COMMITTEE PROGRAM IN 2022. AND YOU CAN SEE THE DETAIL IN SLIDE. I THINK IT'S 90 INDE IN THE APPENDIX. NEXT SLIDE PLEASE. LAST BUT NOT LEAST, THIS IS THE PORTFOLIO CAPITAL SPENDING FOR THE PAST FEW YEARS. JUST WANT TO POINT OUT THAT WE SPEND ONLY 340,000,000, WHICH IS A LITTLE BIT BELOW 60% OF THE 2022 BUDGET. AND THE MAIN REASON YOU ALREADY HEARD FROM HAN AND KELLY ABOUT SOME OF THOSE PROJECT DELAYS. WITH THAT, HAPPY TO ANSWER ANY QUESTIONS. SO IN SUMMARY, AGAIN, WE'RE VERY PLEASED WITH OUR PERFORMANCE IN 2022. AND AS STEVE ALLUDED TO, HOWEVER, THERE STILL IS POTENTIAL ECONOMIC UNCERTAINTY AHEAD OF US. SO WE'LL BE MONITORING THAT AS WE GO THROUGH THE YEAR. WE'D BE HAPPY TO ANSWER ANY QUESTIONS. GREAT. THANK YOU SO MUCH GUYS. I APPRECIATE THE THOROUGH PRESENTATION. I'LL OPEN IT UP TO COMMISSIONERS FOR QUESTIONS. COMMISSIONER CALKINS, IN OUR RECENT CONVERSATION AT THE NORTHWEST SEAPORT ALLIANCE ALONG THE SAME LINES, ONE OF THE ELEMENTS WE TALKED ABOUT WAS THE THINGS WE CAN'T CONTROL. AND PARTICULARLY IN MARITIME CARGO OPERATIONS, THE PURVIEW OF THE NORTHWEST SEAPORT ALLIANCE, THERE ARE A LOT OF DARK CLOUDS THAT MAY SIGNIFY NOTHING, OR WE'VE BEEN TALKING

ABOUT RECESSION NOW FOR A GOOD YEAR AND A HALF.
AND SO FAR RIGHT, WE'RE WHISTLING PAST THE
GRAVEYARD. BUT I'D
LOVE TO JUST HEAR YOUR THOUGHTS ON IF
THERE ARE ANY PARTICULAR SYSTEMIC
OR GLOBAL RED FLAGS OUT
THERE THAT YOU WOULD SIGNAL FOR US TO WATCH
CLOSELY. THAT COULD LEAD TO ISSUES
THAT WOULD SIGNIFICANTLY ALTER OUR BUDGET.
AND IF YOU SEE ANY GREEN FLAGS OUT
THERE AS WELL, THAT MIGHT BE GOOD NEWS THAT WE
AREN'T NECESSARILY BANKING ON. BUT IF
CERTAIN THINGS COME TO PASS, HOW COULD THAT ALTER
THE POTENTIAL OUTLOOK TO THE GOOD? SURE. WELL,
CERTAINLY INFLATION CONTINUES TO BE A BIG CONCERN.
LOOKS LIKE WE SAW A LITTLE BIT OF A MODERATION IN
THE NUMBERS RELEASED TODAY, BUT HOW
THAT'S GOING TO PLAY OUT? AND WILL THE FEDERAL
RESERVE BE SUCCESSFUL IN TAMING INFLATION WITHOUT
ACTUALLY TRIGGERING A RECESSION? I THINK IT'S KIND
OF \$64,000 QUESTION OUT THERE. AND IF
WE DO ACTUALLY TIP INTO A RECESSION, I THINK
IT'S ANYBODY'S GUESS. WE'RE HOPEFUL OR NOT. I
THINK THAT INFORMATION I'VE SEEN IS THAT IF WE DO
GO INTO RECESSION, SHOULD BE A MILD RECESSION.
CERTAINLY THE RECENT NEWS ABOUT BANK FAILURES DOES
NOT BODE WELL FOR THE ECONOMY IF THEY WERE TO
BECOME MORE ENDEMIC. BUT SO FAR IT LOOKS LIKE
THAT'S RELATIVELY CONTAINED AND THE FEDERAL
GOVERNMENT SEEMS TO BE WILLING TO STEP IN AND
SUPPORT THOSE BANKS. I THINK YOU'RE RIGHT. ON THE
CONTAINER SIDE IN PARTICULAR, WE'VE SEEN A PRETTY
SIGNIFICANT DROP OFF, I THINK, AS THE INVENTORY
OVERHANG HAS SORT OF TAKEN INTO EFFECT. I THINK
SOME ARE OPTIMISTIC THAT THAT'S GOING TO PICK UP
LATER IN THE YEAR, BUT I THINK IT'S STILL
ANYBODY'S GUESS. HOW THAT'S GOING TO REALLY PLAY
OUT IN TERMS OF GOOD
NEWS, I THINK WE'RE STILL LOOKING AT VERY STRONG
LABOR MARKETS, WHICH EVERYONE SEEMS TO BE PLEASED
WITH, WHICH ALSO CAN ALSO TEND TO LEAD TO HIGHER
INFLATION. BUT IT'S STILL GOOD NEWS TO SEE LOTS OF
EMPLOYMENT OUT THERE. SO IT'S KIND OF MIXED
SIGNALS RIGHT NOW. I THINK WE'RE IN A PERIOD OF
GREAT AND THERE'S UNCERTAINTY, AND WE CAN
CERTAINLY HOPE THAT THE GLASS IS HALF FULL AND WE
DO BETTER THAN WE EXPECT. BUT WE ARE MONITORING
THESE TRENDS AND WOULD BE PREPARED TO MAKE
ADJUSTMENTS TO OUR BUDGETS IF NECESSARY AS WE GET
THROUGH THE YEAR WITH THE
AMOUNT OF CAPITAL WE'RE INVESTING IN
IN THE NEXT FEW YEARS. HOW MUCH OF A DIFFERENCE
DOES THE INCREASED COST OF CAPITAL MEAN FOR THE
FACT THAT OUR BONDS, WE NEED TO OFFER THEM HIGHER
RATES THAN IT HAS SOME EFFECT,
BUT IT'S NOT HUGE. AS YOU KNOW, WE GENERALLY
BENEFIT FROM LOWER TAX EXEMPT RATES, SO THAT
CERTAINLY HELPS US. BUT WE WILL BE PAYING MORE
FOR DEBT. WE DON'T HAVE ANY DEBT PLANNED FOR THIS
YEAR. CURRENTLY, WE'RE DOUBLE CHECKING OUR NUMBERS
AND OUR CASH FLOW FORECAST, BUT WE'RE THINKING WE
WILL GET BY THIS YEAR WITHOUT A NEW MONEY ISSUE.
SO IF WE CAN GET BY FOR ANOTHER YEAR AND START

SEEING INTEREST RATES POTENTIALLY MODERATE WITHIN A YEAR. THAT WOULD BE BENEFICIAL AS WELL. COMMISSIONER FUCKING ACT. DAN, DO YOU WANT TO COMMENT ON OUR RATINGS AND HOW THAT APPLIED TO OUR RATINGS GOING UP? ACTUALLY, AS PART OF OUR BOND ISSUES LAST YEAR WE DID SEE UPGRADES FROM STANDARD IMPORTS, I BELIEVE IT WAS SORT OF UPGRADED MANY OF SOME OF OUR BOND ISSUES ACROSS THE BOARD, INCLUDING OUR GEO BONDS AND REVENUE BONDS AT THE MARGIN IT HELPS, BUT AGAIN, IT'S NOT NECESSARILY A HUGE IMPACT, BUT CERTAINLY EVERY LITTLE BIT HELPS. THANK YOU, DAN. COMMISSIONER CALKINS, WITH REGARD TO THE CONTAINER CARGO VOLUME SEAPORT ALLIANCE, I THINK ONE OF THE LONGER TRENDS SHIP IS THAT THE MANUFACTURING BASE COVID MORE TO THE SOUTH ASIA PART OF ASIA AND PASS THROUGH GOING THROUGH MORE TO THE EAST COAST AND THE SOUTHERN PORT. SO YOU ARE SEEING LAST YEAR THOSE ARE PRETTY SIGNIFICANT INCREASE IN TERMS OF THE CARGO VOLUME. THE WEST COAST IN GENERAL HAVE SOME REDUCTION. THOSE ARE PROBABLY EVEN LONGER THREAT AND TREND FOR THE COMING YEARS. COMMISSIONER FELLEMAN, THANK YOU VERY MUCH. I APPRECIATE THAT CONCLUSION. THE STATE OF THE PORT IS GOOD. IT'S IMPORTANT TO PUNCHLINE AT THE END OF THE STORY THE FIGURE ON 31 WHERE WE HAVE THE PORT WIDE FINANCIAL SUMMARY. IT'S ALWAYS GOOD TO SEE ALL IN ONE PICTURE, RIGHT? FOR US AQUATICALLY INCLINED FOLKS, THOUGH, TO HAVE THE CATEGORY OF NON AIRPORT REVENUES, IT SEEMS LIKE A BIG CATEGORY THAT INCLUDES A LOT OF THINGS. IT DOESN'T SAY MARITIME ANYWHERE. BUT MORE TO THE POINT, SINCE MARITIME, SINCE THE SEAPORT ALLIANCE IS SUCH A SIGNIFICANT PORTION OF MARITIME AND THOSE TRENDS ARE NOT OPTIMISTIC, THEY'RE NOT POSITIVE AT THE MOMENT. I THINK WATCHING THE PERCENTAGE OF SEAPORT ALLIANCE IN OUR REVENUES IS VALUABLE IN TERMS OF TRACKING SOME OF OUR DECISION MAKING. AND I THINK HAVING MARITIME PERIOD BROKEN OUT OR AT LEAST SEAPORT ALLIANCE IS INSTRUCTIVE AS WE MAKE INVESTMENT DECISIONS ANYWAY, SOMETHING OTHER THAN JUST NON AIRPORT. RIGHT? WELL, IN KELLY'S PRESENTATION HE DOES BREAK OUT THE MARITIME VERSUS THE SEAPORT ALLIANCE AND AS WELL AS THINGS LIKE BUT FOR ONE STOP SHOP, THAT'S SUCH A VALUABLE PICTURE TO BE ABLE TO TRY TO EXPLAIN THE OVERALL AND AGAIN, IF IT WASN'T A SIGNIFICANT PORTION OF OUR MARITIME BUDGET, SURETY THAT WOULD BE LESS OF IT. ONE OF THE THINGS THAT I RAISED LAST TIME WHEN WE WERE PASSING THE BUDGET, WE TALK ABOUT THE OPERATIONAL IMPROVEMENTS THAT SHILSHOLE AS ATTRIBUTING TO THIS FINANCIAL BANK. WE ALSO INCREASED THE RATE 10%. SO I DON'T KNOW HOW MUCH ONE CAN BE ATTRIBUTED. I THINK IT'S BOTH AS SIGNIFICANT, BUT IT'S NOT JUST ALL OPERATIONAL EFFICIENCY. THAT'S CORRECT. I LOVE THIS TERM OF ART AND I JUST FORGOT IT. IT WAS THIS PRODUCT RELEASE OR WAS THIS FREE PRODUCT. I LOVE THIS COMING FROM THE

MARITIME OIL SPILL WORLD. SO WE HAD A RELEASE OF SOME PRODUCT DURING THE PILE DRIVING AT T FIVE. I THINK THERE WAS SOME REFLECTION OF A 53% INCREASE IN ENVIRONMENTAL COMPONENT IN OUR MARITIME BUDGET. AND I WAS JUST WONDERING ENVIRONMENTAL AND SUSTAINABILITY ON THE JOINT VENTURE FOR THE SEAPORT ALLIANCE BECAUSE THAT WAS A T FIVE PILE DRIVING. SO I WAS JUST WONDERING, IS THAT COST RECOVERABLE? BECAUSE WE WEREN'T DOING THE PILE DRIVING. I WOULD PROBABLY DEFER TO KELLY OR STEPHANIE IF THEY HAVE ANY MORE INSIGHT INTO THAT, WHETHER THOSE ARE RECOVERABLE. I DON'T BELIEVE IT.

YEAH, COMMISSIONER FELLEMAN, I DON'T BELIEVE IT IS JUST BECAUSE IT WAS A HISTORIC COST. IT WAS A PORT IT WAS PORT OWNED OR A PORT LIABILITY. IT WAS DETERMINED. IT WAS LIKE, IN THE SEDIMENTS AND THAT WAS JUST RELEASED BY POUNDING ON IT. I DON'T WANT TO ELABORATE TOO MUCH. I'LL LEAVE IT UP. WE OWN BRICK AND THE TEAM OUT THERE TO GO MORE INTO DEPTH, YOU KNOW, MORE I'M ALWAYS EXCITED ABOUT THOSE THINGS. IT'S A ONE TIME THING THAT HAPPENED THROUGH AN OLD AREA THAT HADN'T BEEN EXAMINED OR HADN'T BEEN REMEDIATED YET.

WE'LL GET YOU SOME MORE INFORMATION. THE POINT IS THAT IT WAS EITHER WAS AN ORPHAN SPILL OR WE OWN IT. THAT'S ALL RIGHT. THEN THE QUESTION THE JV DIRECT IN THE SEAPORT ALLIANCE BUDGET IS THAT THE PAYMENTS THAT WE MAKE TO THEM FOR T 46, THE NORTH HARBOR, THE NORTH SLIP, JV DIRECT AGAIN, THAT'S PAGE 22.

I'M JUST WONDERING WHERE IS THAT? NO, THE PAYMENTS WE MAKE IS ACTUALLY THE JV DIRECT THAT INCLUDED THE JOINT VENTURE DIRECT THAT INCLUDED THE REMEDIATION IN THERE. THE PAYMENTS WE MAKE IS ACTUALLY A CONTRA JOINT VENTURE. SO THERE'S \$4 MILLION THAT COME, 2 MILLION COMES BACK TO US. AND SO RATHER THAN TAKING THAT 2 MILLION THAT COMES BACK AS REVENUE WE USE IT AS AN OFFSET THE CONTRAST. SO IT GOES AS A REDUCTION IN REVENUE ON THAT SIDE. SO WE HAVE \$2 MILLION HITS CRUISE AND \$2 MILLION. THIS IS A CONTRA. AND BECAUSE WE'RE GETTING HALF OF THAT 4 MILLION BACK SO IT NETS TO ZERO. IT'S PART OF THE 55 MILLION YOU SEE UP THERE INCLUDES THAT 2 MILLION. HALF OF THAT \$4 MILLION. BUT WE THEN BOOK THE OTHER 1.9 MILLION YOU SEE THERE IS THE CONTRA REVENUE. I THINK THE IMPORTANT POINT IS THE EXPENSES IN THE CRUISE LINE OF BUSINESS BECAUSE THAT'S WHERE THE PAYMENT IS MADE, THE FULL \$4 MILLION PAYMENT. BUT IN THIS INCOME STATEMENT IS WHERE WE GET THE CREDIT BACK FOR THAT HALF OF THE REVENUE FROM THE ALLIANCE.

THANK YOU. EXCELLENT. ANY OTHER QUESTIONS?

COMMISSIONER MOHAMMED, CLARIFY THOSE.

ONE THING I'M SO SORRY TO COMMISSIONER FELLEMAN AND YOUR QUESTION. SO THE OVERALL INCREASE

THANK YOU. THE OVERALL INCREASE IN REVENUE AT SHILSHOLE IS DUE TO BOTH THE RATE INCREASES WHICH OUR MORTGAGE CUSTOMERS REALLY FEEL AS WELL AS THE

INCREASE, BUT THE MORTGAGE RATE INCREASE IS INCLUDED IN THE BUDGET. SO WHEN WE REPORT OUR FINANCIAL RESULTS WE'RE TALKING ABOUT HOW WE EXCEEDED BUDGET AND THAT INCREASE WAS THE INCREASE IN THE IMPROVEMENT IN PROCESSES THAT ALLOWED US TO GET NEW CUSTOMERS. SO THAT'S WHY WE REPORT IT THAT WAY. BUT I APPRECIATE YOU HIGHLIGHTING THAT PART OF OUR REVENUE KEEPING UP. NO, BUT THAT'S IMPORTANT. IT WAS ALREADY BUDGETED IN. GREAT. THANK YOU, COMMISSIONER MOHAMMED, THANK YOU. FIRST OF ALL, I JUST WANT TO SAY THANK YOU TO DIRECTOR THOMAS AND YOUR FINANCE TEAM FOR YOUR CAREFUL COST MANAGEMENT THAT YOU ALL DO. YOU GUYS KEEP US OUT OF TROUBLE. MY QUESTION WAS I'M GOING BACK TO PAGE NUMBER TWO. SO I UNDERSTAND THE PRIMARY REASON BEHIND THE OPERATING REVENUE COST WAS RELATED TO CAR RENTAL, PUBLIC PARKING, AND WSA. BUT I'M ALSO WONDERING, IS THERE A BREAKDOWN OF PROJECTS THAT GO OVER PUGET THAT IS ACCOUNTED IN THIS AREA? DID I MISS THAT? ARE YOU TALKING ABOUT CAPITAL PROJECTS? YES. THAT WOULD NOT SHOW IN HERE. THIS IS OPERATING PERFORMANCE THAT'S HIGHLIGHTED HERE. GENERALLY, THAT WOULD BE REALLY PART OF A MORE COMPREHENSIVE CAPITAL SPENDING REPORT. AS YOU CAN IMAGINE, THERE'S A MIXTURE OF PROJECTS, SOME UNDER BUDGET, SOME OVER BUDGET, AND WE STILL DO THE QUARTERLY CAPITAL BUDGET SUMMARY REPORT. I BELIEVE THAT THAT INFORMATION SHOULD BE INCLUDED IN THERE. OKAY, SO THANKS FOR THAT CLARIFICATION. I WAS JUST WONDERING IF ANY OF THOSE PROJECT OVERSPEND WERE ACCOUNTED FOR IN THAT \$43 MILLION. NO, THAT WOULD NOT BE IN HERE. OKAY, THAT'S HELPFUL. THANK YOU. THAT CONCLUDES MY QUESTION. GREAT. ANY OTHER QUESTIONS THAT I HAVE? A FEW. GO AHEAD. COMMISSIONER HASEGAWA COMMENT THAT I MEAN, GREAT. THIS IS WONDERFUL. AND SEEING HOW WELL CRUISE PERFORMED, IT JUST TELLS ME THAT THERE'S ROOM FOR US TO PUSH A LITTLE HARDER IN OUR LEASE AGREEMENTS WITH THE CRUISE LINES FOR HIGHER STANDARDS. THEY CLEARLY WANT TO BE HERE. THEY WANT TO DO BUSINESS HERE. THEY WANT TO COME THROUGH HERE, AND IT'S OKAY FOR US TO PUSH AND ASK A LITTLE MORE. THANK YOU. GREAT. REAL QUICK, I HAVE ONE QUESTION HERE. FIRST OF ALL DO WE BANK WITH SILICON VALLEY BANK? NO, WE DO NOT. OKAY, GOOD. JUST FOR THE PUBLIC TO BE AWARE. SECONDLY, I WANT TO TURN OUR ATTENTION TO EDD. AND I THINK YEAR AFTER YEAR, EDD ALWAYS KIND OF HANGS IN MY HEAD BECAUSE IT'S ONE OF THE NONPROFITABLE. NOT THAT WE'RE HERE TO MAKE A PROFIT, BUT NET LOSERS, NO OFFENSE TO EDD IN OUR ORGANIZATION. I DID WANTED TO ASK A QUESTION, THOUGH, BECAUSE WE DID OUTPERFORM OUR BUDGET BY, WHAT, THREE AND A HALF MILLION DOLLARS OR SOMETHING LIKE THAT. BUT MORE IMPORTANTLY, WHEN YOU LOOK AT THE EBITDA, THE NET OPERATING INCOME, WHATEVER, OF \$6.5 MILLION, AND YOU COMPARE IT WITH, ACTUALLY, THE CAPITAL EXPENDITURE OF EDD OF 2022, WHICH IS IN YOUR

APPENDIX, IT WOULD BE SAFE TO SAY THAT IF WE WERE TO GET PAST ALL THESE CAPITAL CIP PROJECTS, THAT EDD WOULD BE CASH FLOW POSITIVE. WELL, FIRST OF ALL, THE FIRST COMMENT I WOULD AMEND MY VIEW OF EDD IS A HYBRID LIAISON BECAUSE IT MIXES SOME BUSINESS OPERATIONS IN TERMS OF REAL ESTATE MANAGEMENT AND THE CONFERENCE CENTER. BUT IT COMBINES THOSE ALSO WITH SOME OF THE MORE NONPROFIT KIND OF ELEMENTS, THE TOURISM GRANTS THAT YOU DISCUSSED TODAY, THE ECONOMIC DEVELOPMENT GRANTS THAT HAVE BEEN PRESENTED TO YOU PREVIOUSLY. SO IT REALLY COMBINES BOTH OF THOSE. SO SEEING A NEGATIVE BOTTOM LINE IS JUST A REFLECTION OF THIS KIND OF THIS HYBRID ENTITY THAT BRINGS IN BOTH BUSINESS AND NONPROFIT ELEMENTS. THE CAPITAL EXPENDITURES THAT THEY WOULD MAKE WOULD SHOW UP IN DEPRECIATION, NOT IN THE OPERATING PERFORMANCE. AND I'M NOT SURE DID WE GO SO FAR AS TO SHOW DEPRECIATION IN OUR CHARTS HERE? YEAH, WE DO HAVE DEPRECIATION IN THERE. AGAIN, SLIDE 76, WE GO INTO A LITTLE FURTHER DEPTH ON THAT. AND THEN WE ALSO BREAK OUT PORTFOLIO MANAGEMENT, WHICH IS THE REVENUE GENERATING PIECE IN SLIDE 77. SO YOU GET A LITTLE MORE OF A PNL THAT LOOKS AT JUST THE BUSINESSES IN ECONOMIC DEVELOPMENT DIVISION AND KIND OF PULLS OUT SOME OF THE ECONOMIC DEVELOPMENT INITIATIVES. SO WE TRY AND BREAK THEM OUT BOTH WAYS AND THEN SOME OF THOSE. AND I KNOW MANAGING DIRECTOR DAVE MCFADDEN IS ON HERE TOO, BUT I THINK, AS KELLY IS POINTING OUT, COMMISSIONER, IS THAT SOME OF THOSE, LIKE, WE LOOK AT OUR FACILITIES THAT WE OPERATE IN THE BUSINESS SIDE, THERE HAVE BEEN INCREASES IN THOSE, INCLUDING BELL HARBOR CONFERENCE CENTER. SO I GUESS THE PORT I'M TRYING TO GET TO HERE IS THAT IF YOU LOOK AT SLICE 78, OUR CIP FOR EDD IS \$10.5 MILLION. RIGHT. BUT THOSE ARE REALLY ONE TIME EXPENSES FOR IMPROVEMENTS, NOT OPERATING EXPENSES. RIGHT. SO I GUESS THE POINT I'M TRYING TO GET TO IS THAT IF WE WERE TO ZERO OUT THOSE CIPS, WHICH WILL FINISH THESE PROJECTS RIGHT, AND ASSUMING THERE AREN'T ANY OTHER MAJOR BIG TICKET ITEM IMPROVEMENTS, THEN MY BACK END OF THE NAPKIN MATH ACTUALLY SHOWS THAT AT LEAST ON THE REAL ESTATE SIDE, WE MIGHT ACTUALLY BE CASH FLOW POSITIVE. RIGHT. I GUESS THE SLIDE 25 DOESN'T ACTUALLY SHOW THE FULL PICTURE OF EDD WHEN IT COMES TO ACTUAL NET REVENUE AND INCOME. YEAH, IT'S A LITTLE CHALLENGING BECAUSE IT DOESN'T MIX CAPITAL AND OPERATING ELEMENTS TOGETHER. BUT IF YOU'D LIKE, WE CAN PROVIDE YOU WITH SOME MORE DETAILED INFORMATION AROUND THAT TO HELP INFORM THAT QUESTION. AND THE OTHER PIECE THAT SHOWS UP IN THERE, TOO, IS YOU DO HAVE PIER 69 SHOWS UP IN THE ECONOMIC DEVELOPMENT LIAISON, WHICH OBVIOUSLY DOESN'T GENERATE A TON OF REVENUE, BUT AS AN EXPERIENCED COMPONENT AS WELL. CLEAR. ANY OTHER QUESTIONS? ALL RIGHT, THANK YOU, GUYS. THANK YOU FOR YOUR TIME. YES, THANK YOU VERY MUCH. AND I DON'T KNOW WHERE I PUT MY SKIRT, BUT THAT CONCLUDES OUR AGENDA FOR THE DAY IN NEW BUSINESS IN

PRESENTATION AND STAFF REPORTS. THANK YOU.
IT'S YOUR FAULT. OKAY.

TOP OF 28.

ALL RIGHT, SO EXECUTIVE DIRECTOR METRUCK. OH,
SORRY. ARE THERE ANY CLOSING COMMENTS AT THIS TIME
OR MOTIONS RELATED TO COMMITTEE REFERRALS FROM
COMMISSIONER. YES. COMMISSIONER FELLEMAN.
TWO QUICK THINGS. ONE IS LOOKING FORWARD
RIGHT NOW AFTER YOU LOOK AT THE REVENUES AND
STUFF, IN TERMS OF WHAT IS ALL THIS UNCERTAINTY
THAT IS IN THE SEAPORT ALLIANCE WE TALKED ABOUT
LOOKING AT OUR PORT ZONE MARITIME DIVISION, WE SEE
THE AIRPORT IS DOING VERY WELL, THANK YOU VERY
MUCH. AND IT'S SELF SUSTAINING. WE HAVE TO LOOK
STRATEGICALLY AT WHAT OUR OPTIONS ARE FOR GROWING
THE SEAPORT. AND I THINK IT'S A CONVERSATION WE
NEED TO HAVE IN A MORE OF A RETREAT TYPE SETTING.
BUT MAYBE IF YOU WANT TO SAY SOMETHING ABOUT THAT,
THAT'S GREAT. BUT ONE THING I DO WANT TO SAY WHILE
WE STILL HAVE THE PUGET FOLKS HERE IS THAT THIS
JFOA AWARD THAT WE KEEP ON HAVING TO HEAR ABOUT 17
YEARS IN A ROW, I UNDERSTAND ONE THING ABOUT IT
THAT I THOUGHT MAY BE WORTH I GUESS WE LOST KATHY
ALREADY. BUT I UNDERSTAND WE HAVE TO GET A NEW
PLAQUE BECAUSE WE FILLED UP THE OTHER ONE. SO I
WOULD LIKE TO SEE US HAVE A NEW PLAQUE SIGNING
CEREMONY. BUT THANK YOU VERY MUCH FOR ALL THAT
WORK. COMMISSIONER, IF I CAN JUST COMMENT ON THE
MARITIME THAT'S SOMETHING MANAGING DIRECTOR
STEPHANIE JONES SEVEN MYSELF TALK ABOUT. SHE HAD A
PLAN. I THINK COVID KIND OF DERAILED SOME OF HER
BUSINESS DEVELOPMENT PLANS, BUT WE'RE BACK ON THAT
NOW AND WE'RE LOOKING AT THAT, INCLUDING ALSO ON
THE CAPITAL DELIVERY SIDE TOO, IMPROVING BOTH OF
THOSE.

ANY OTHER QUESTIONS OR COMMENTS FOR THE GOOD OF
THE ORDER FROM COMMISSIONERS? NO. ALL RIGHT.
EXECUTIVE DIRECTOR METRUCK, DO YOU HAVE ANY CLOSING
COMMENTS FOR US TODAY? NO. THANKS, COMMISSIONER,
THANKS FOR YOUR TIME. AND ESPECIALLY I MEAN,
TAKING AWAY FROM THE BUDGET PRESENTATION, JUST
SHOWING THAT REALLY LAYS
THE GROUNDWORK FOR OUR BUDGET DISCUSSIONS COMING
UP FOR 2024. SO I APPRECIATE THAT AND LOOK FORWARD
TO SOME EVENTS COMING UP THE REST OF THIS WEEK.
THANK YOU. GREAT. COMMISSIONER FELLEMAN,
I'M SORRY, BUT THIS IS A FORMALITY, BUT SOME OF
YOU MAY BE AWARE OF THAT. WE'VE COME ACROSS FOUR
FERRY PROPELLERS THAT THE DEPARTMENT OF
TRANSPORTATION STATE FERRIES IS SURPLUSING,
AND IT'S AT A NET NO COST TO US.
IN FACT, IT COULD BE A SLIGHT PROFIT IF WE CHOOSE
NOT TO USE THEM BECAUSE OF THEIR SALVAGE VALUE,
BUT WHERE IN FACT, WE PUT THEM, WHICH IS
WHERE THE EXPENSE WOULD BE IS A WHOLE DECISION
MAKING PROCESS. AND WE'D LIKE TO REFER THIS TO THE
ART COMMITTEE WHERE WE CAN HAVE SOME JOINT
DISCUSSION ABOUT APPROPRIATE SITING. SECOND.
ALL RIGHT. ANY OPPOSED? ALL RIGHT. IT HAS BEEN
REFERRED. THANK YOU, COMMISSIONER FELLEMAN. ALL
RIGHT. HEARING NO FURTHER COMMENTS AND HAVING NO
FURTHER BUSINESS, IF THERE IS NO OBJECTION, WE ARE
ADJOURNED AT. THANK YOU,

EVERYONE. THANK YOU.