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APPROVED MINUTES COMMISSION SPECIAL MEETING OCTOBER 8, 2019

The Port of Seattle Commission met in a special meeting Tuesday, October 8, 2019, as a commission study session. The study session was held in commission chambers at Port of Seattle offices, 2711 Alaskan Way, Seattle, Washington. Commissioners Bowman, Calkins, Felleman, Gregoire, and Steinbrueck were present.

ADJOURNED and RECONVENED

At 9:00 a.m., Commission Clerk Paul White called the meeting to order and immediately adjourned it to 9:15 a.m. in the same location. Commission President Stephanie Bowman called the adjourned meeting to order at 9:20 a.m.

AVIATION DIVISION

The commission engaged with executives and staff presenters on the topic of the Aviation Division 2020 operating and capital budgets.

Presentation materials included a [cover memo](#) and [presentation](#) regarding the Aviation Division 2020 preliminary budget.

Aviation division priorities for 2020 were identified via consideration of long-term goals and analysis of strengths, weaknesses, opportunities, and threats (SWOT). These include the following:

- Maintaining safety and security
- Improving customer satisfaction scores
- Upholding noise abatement (Code of Federal Regulations, Part 150) commitments
- Meeting environmental goals
- Capital projects to meet demands for passenger and cargo service

These priorities will be balanced with sustaining a competitive cost per enplanement (CPE), manageable debt levels, and debt service coverage.

A summary of the operating budget was presented and included the following information:

- CPE is growing to \$13.93, which is consistent with forecasts.
- Net Operating Income is expected to be approximately \$307 million.
- Capital expenditures will be approximately \$570 million.
- Operating expenses are growing at 3.3 percent and revenues are growing at 9.6 percent. The net operating income increase is 19.2 percent.

Commissioners asked about environmental remediation liability expenses (ERL). This is budgeted at a lower amount in 2020 because projects that required costly remediation work such as asbestos abatement, are nearing completion.

New requests for full-time-equivalent staff positions (FTEs) include additional construction support employees, access controllers for security lanes, and maintenance staff for new facilities.

In response to the addition of an FTE for implementation of the Part 150 Noise insulation program, commissioners requested further information about Part 150 efforts. There is interest in accelerating the program, but to do so requires further commission engagement.

A summary of new capital projects was presented, including the following:

- Baggage claim device renewal
- Mezzanine security glass
- New leasable space
- Restroom renewal

A summary of existing capital projects was also provided.

Commissioners indicated that they would communicate with staff regarding further questions prior to the introduction of the budget.

Due to time constraints, planned discussion of the Maritime and Economic Development Divisions' 2020 capital budgets was postponed. The meeting adjourned at 11:12 a.m.

Prepared:

Attest:

Amy Dressler, Deputy Commission Clerk

Peter Steinbrueck, Commission Secretary

Minutes approved: November 19, 2019.