



Port of Seattle Special Commission Meeting

October 14, 2025



**Port of Seattle Commission
SPECIAL MEETING – Study Session**

October 14, 2025 – 9 a.m.

The meeting is open to the public at its physical location from 9 a.m. through the end of the meeting, located at: Port of Seattle Headquarters Building Commission Chambers, 2711 Alaskan Way, Pier 69, Seattle Washington. To listen remotely, please dial 206-800-4046, or 833-209-2690, Conference ID 900 467 660#

Port of Seattle Commissioners:

Ryan Calkins; Sam Cho; Fred Felleman; Toshiko Hasegawa, Hamdi Mohamed

- I. CALL TO ORDER – 9:00 A.M.
- II. Aviation Division Operating and Capital (2026) Budget Briefing (9:00 a.m. - 10:15 a.m.)
- III. ADJOURNMENT



Seattle-Tacoma
International
Airport

AVIATION DIVISION

2026 Proposed Operating & Capital Budgets

October 14, 2025

Outline for Aviation Division Presentation

- Strategy to Budget
- Strategic Priorities
- 2026 Budget Overview
- 2026 Proposed Operating Budget
- 2026 Proposed Capital Budget
- Equity in Spending Highlights
- Appendix

Century Agenda Drives Division Plans and Budgets

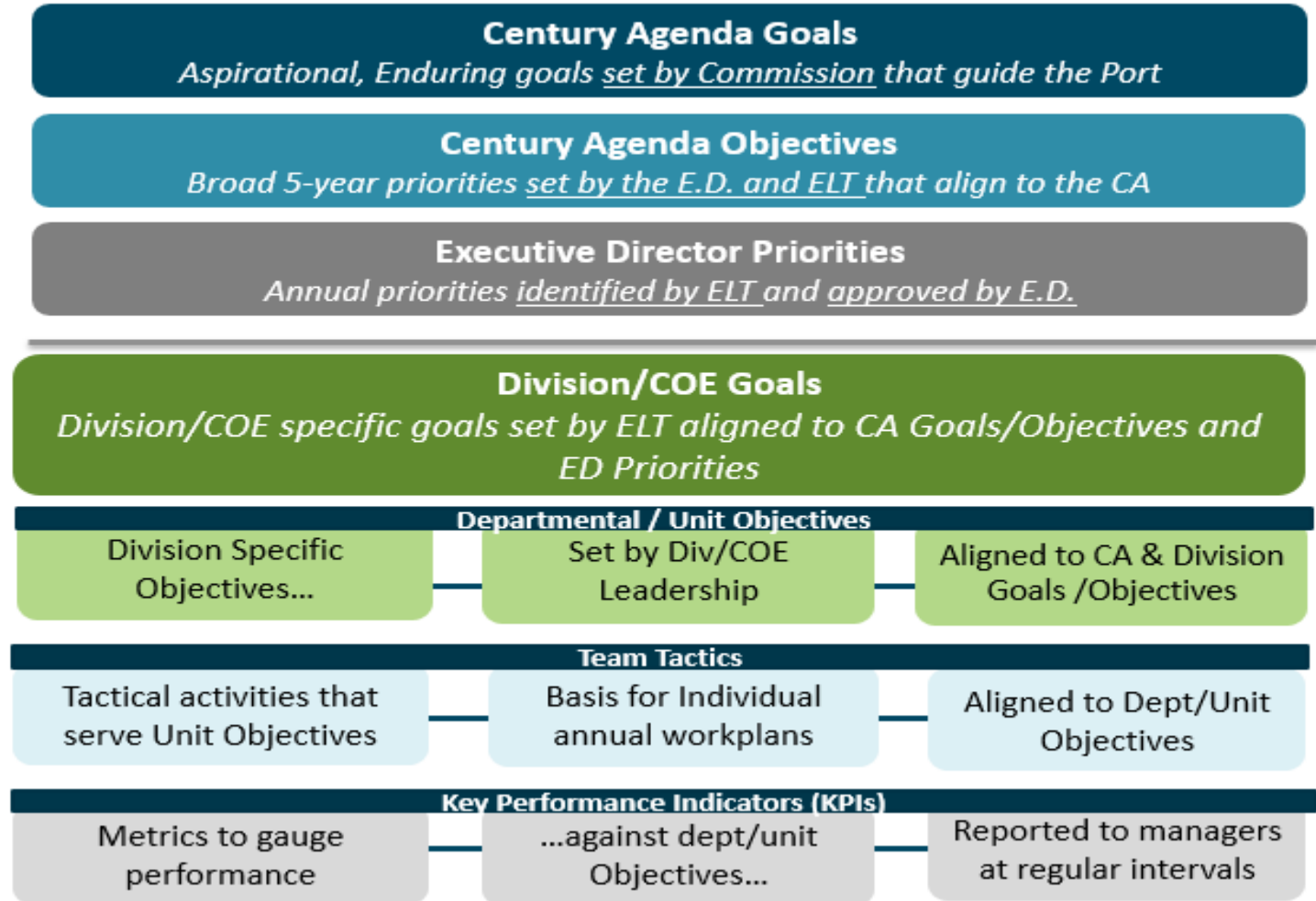
Port-wide Strategic Alignment under the Century Agenda

The Century Agenda (CA) is the guiding force behind Port business planning initiatives.

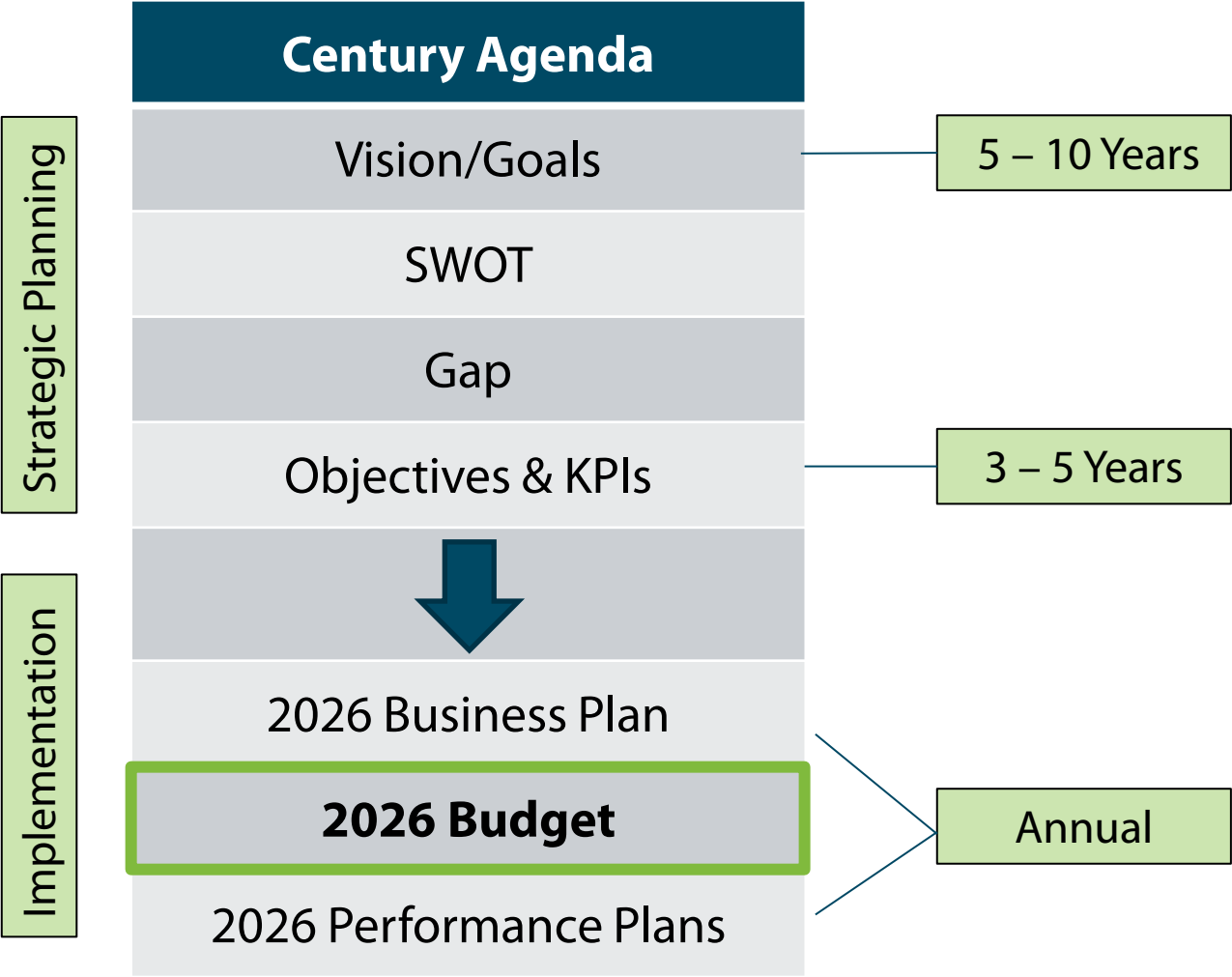
Widely embraced throughout the Port, Directors and Managers ensure vertical alignment of their operations and initiatives under the CA.

The Executive Director Priorities (EDPs) are the initiatives identified each year as being most important or impactful.

By aligning all our work under the CA, all Port staff can see and understand how their individual work contributes to Port goals.



Strategy to Budget Process



SEA: Mission and Vision

MISSION

Seattle-Tacoma International Airport (**SEA**) promotes regional economic vitality by operating a world-class international airport, providing an extraordinary customer experience, and being a model of environmental innovation for our region and industry.

VISION

Connecting the region to the world through flight. The journey begins here.



- 5-Star Skytrax Rating
- 75 minutes MCT
- 45 minutes clocktower – gate
- Level of Service – Optimum
- Top 25 ASQ World Ranking
- Greenest Airport
- Leader in Accessibility



Setting Aviation Division Priorities for 2026

- **Reviewed and updated for each of five business plan categories:**
 - 2026 Objectives
- **Set priorities for 2026:**
 - Mandatory/Regulatory
 - Wildly Important Goals (WIGs)
 - Pretty Important Goals (PIGs)

Mandatory/Regulatory

- **Health, Safety & Security:**
 - Zero major, intermediate or repeat Part 139 discrepancies
 - Zero major & repeat TSA discrepancies
- **Sustainability & Community:**
 - Final Noise Exposure Maps accepted by FAA
 - SAMP NTP – Final SEPA EIS Q4
 - NPDES (Stormwater) permit renewal by Q3

Wildly Important Goals (WIGs)

- **Health, Safety & Security:** Achieve 5% reduction from the previous year in SMS major incident rate
- **Employee Engagement:** Implement action plans from 2025 Employee Engagement Survey
- **Customer Experience:** 85% of customers experience a TSA line wait under 30 minutes
- **Customer Experience:** Elevate the SEA customer during the 2026 FIFA World Cup and beyond to achieve an overall Airport Service Quality rating of 4.0
- **Asset and Financial Stewardship:** Increase non-aero revenue per enplanement by X%
- **Asset and Financial Stewardship:** Maintain debt service coverage >1.4x

Pretty Important Goals (PIGs)

- **Health, Safety and Security:** Safety evaluation score greater than 90%
- **Asset and Financial Stewardship:** Critical infrastructure planning and development
- **Customer Experience:** Parking Garage Security Enhancements
- **Sustainability & Community:** GHG Emission Reduction by Scope 1, 2, & 3 (3 initiatives)

2026 BUDGET OVERVIEW



2026 Aviation Division Budget Context

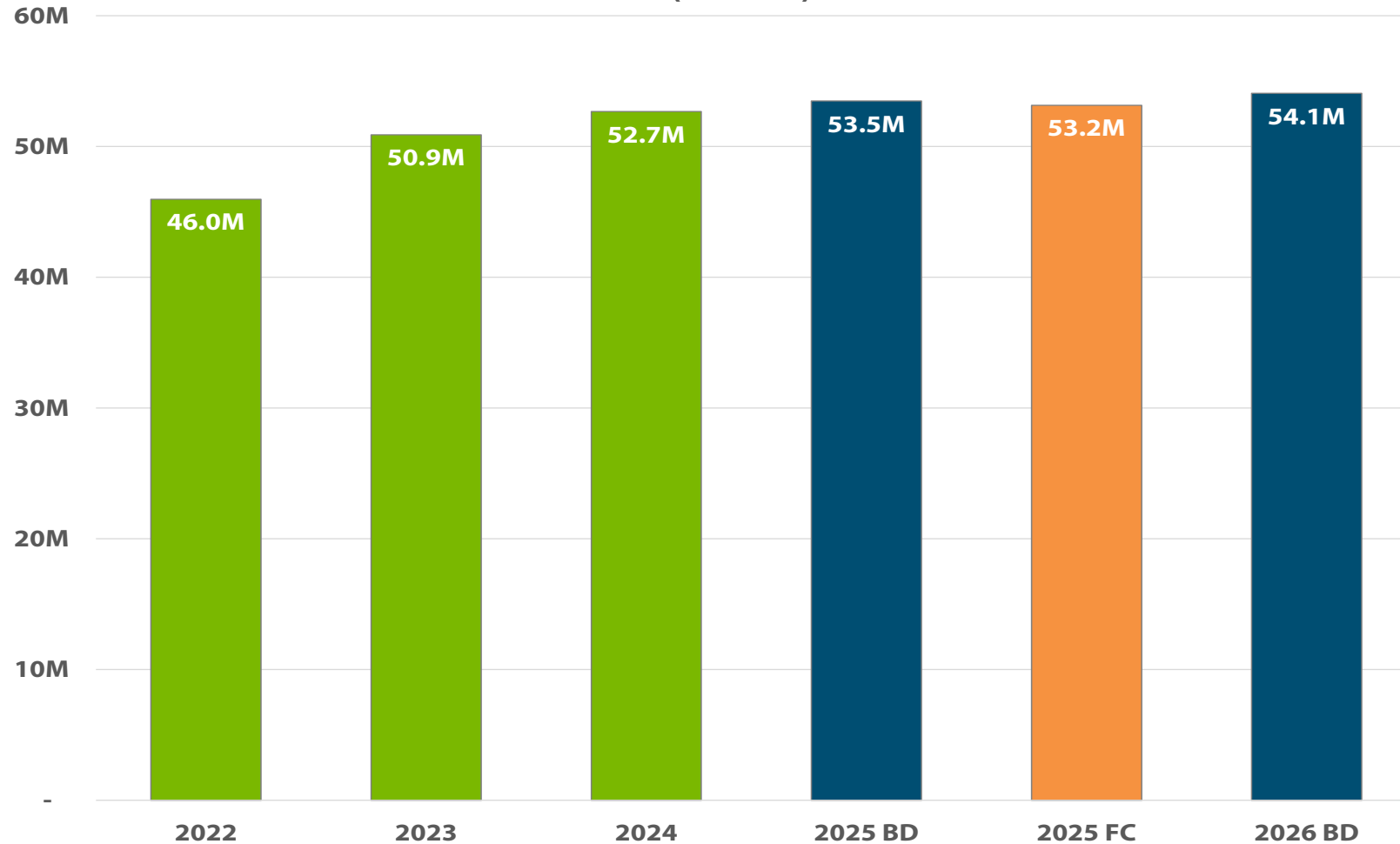
- Enplanement forecast in 2026 Budget shows conservative growth compared to 2025 Forecast
- Growing baseline costs (primarily payroll)
- Increase capital capacity (how much we can afford):
 - Manage growth of costs
 - Consistently grow non-aeronautical revenues

2026 Operating Budget Uncertainties/Risks

- Slowing economic growth
- Aviation Division Proposed Budget:
 - Payroll vacancy rate of 4%
 - Medical benefit rate increases
 - Environmental remediation liability costs
 - Emergency mitigation on critical infrastructure
 - Impacts of lower revenues and higher costs

Passenger Forecast Positive but Slowed

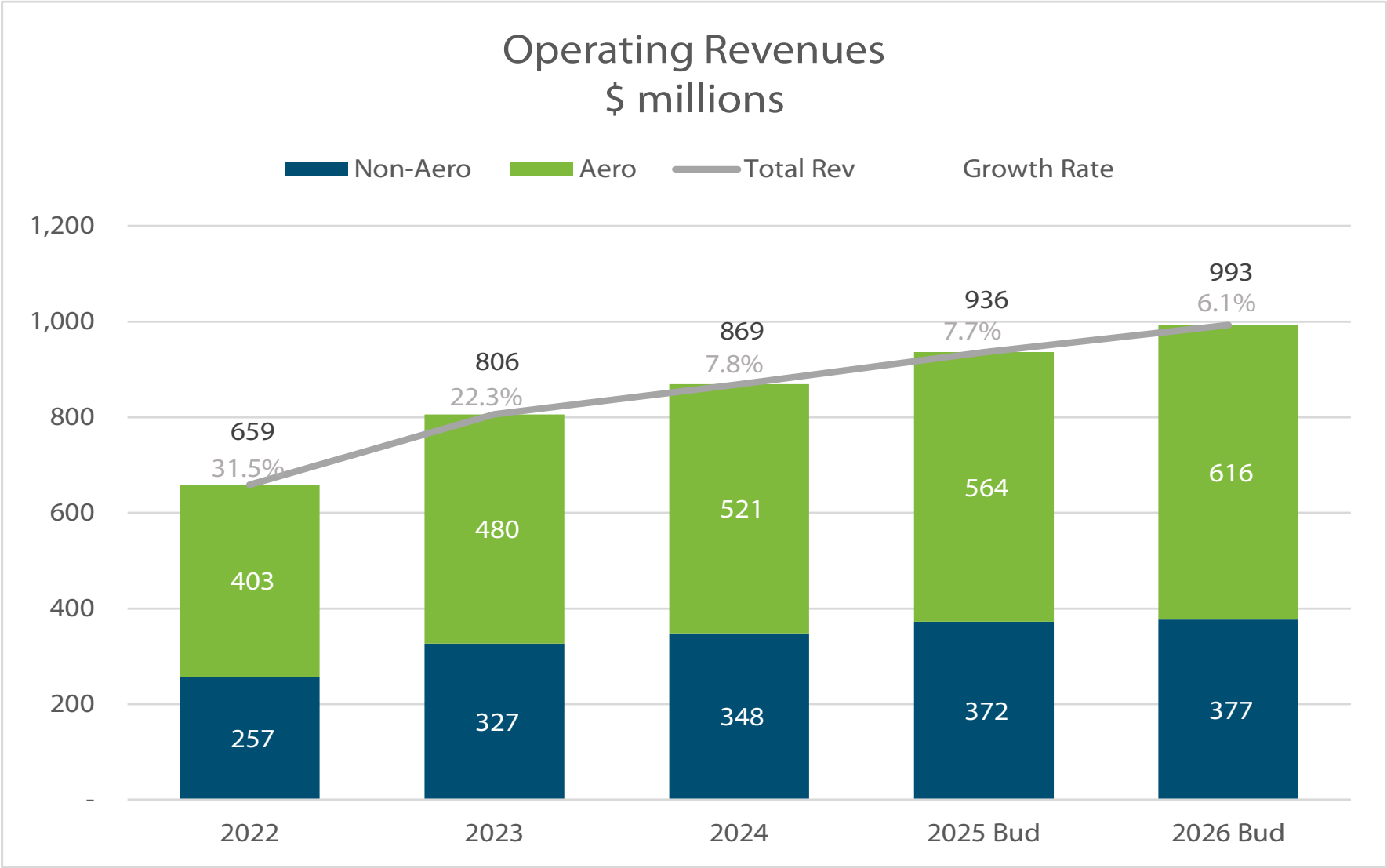
Passengers 2022 - 2026
(Millions)



YoY Change %	
2022	27.1%
2023	10.7%
2024	3.5%
2025 BD	1.5%
2025 FC	0.9%
2026 BD	1.7%

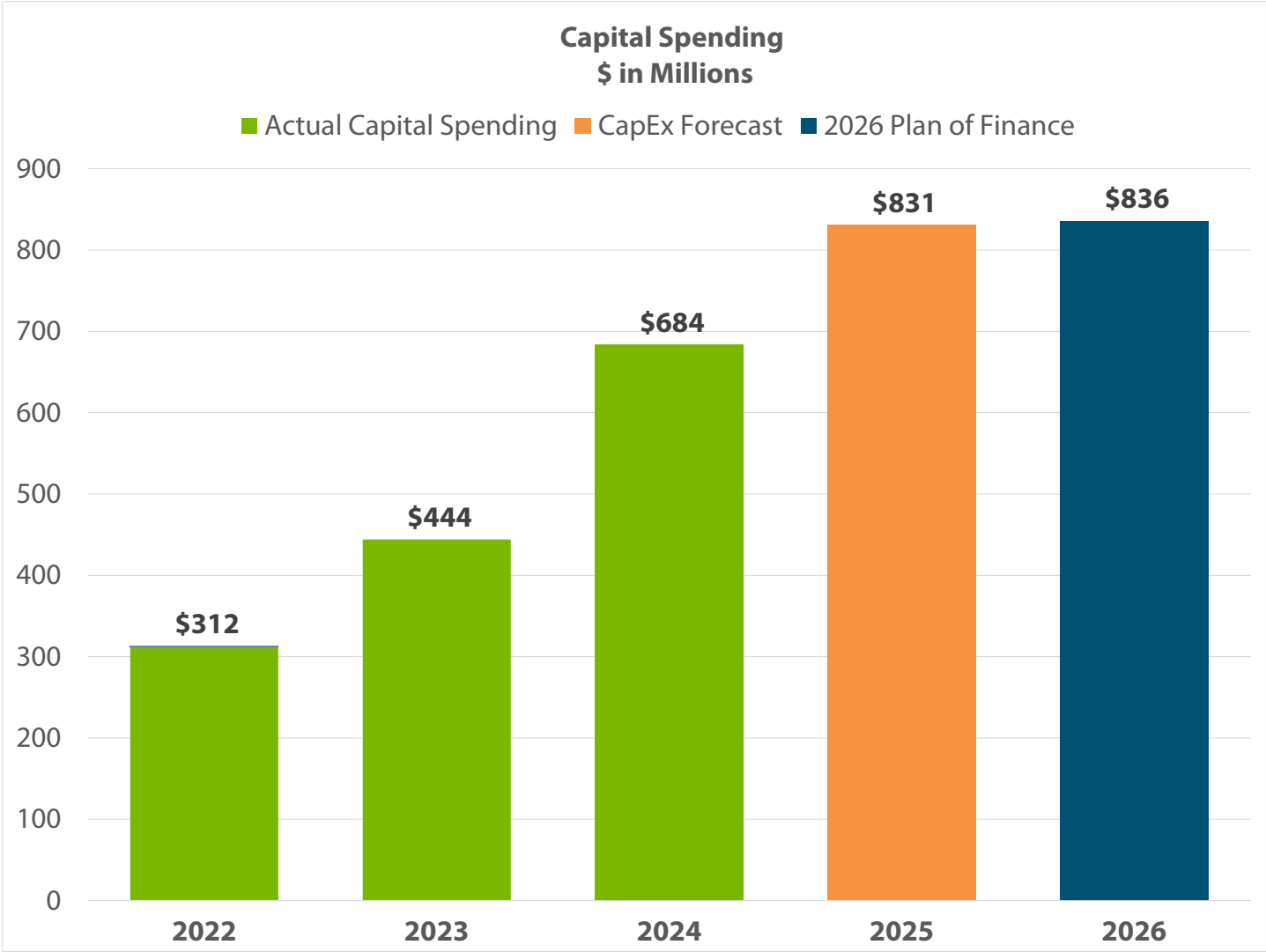
- 2025 forecast - 0.5M passengers more than 2024
- 2026 proposed budget - 0.9M passengers more than 2025

Operating Revenues Summary in 2026



(1)Non-Aero Revenue excludes GASB 87 lease interest income reporting adjustments

Capital Program Spending \$5M Higher in 2026



*Aviation capital spending only. Excludes corporate CIPs that are funded by Airport Development Fund (ADF).

Airport Budget Summary and Key Indicators

	2023	2024	2025	2026	Inc/(Dec) from 2025	
DESCRIPTION (\$ in 000's)	Actuals	Actuals	Budget	Proposed Budget	Approved Budget	
					\$ Change	% Change
Aeronautical Revenues	479,697	520,942	563,836	615,502	51,666	9.2%
Non-Aeronautical Revenues	326,592	348,212	372,280	367,381	(4,899)	(1.3%)
Operating Revenues	806,289	869,154	936,117	982,884	46,767	5.0%
Lease Interest Income ¹	0	0	0	9,872	9,872	0.0%
Total Operating Revenues plus Lease Interest	806,289	869,154	936,117	992,755	56,639	6.1%
Operating Expenses ²	445,691	529,828	553,222	587,035	33,813	6.1%
Lease Interest Expense	4	8	0	7,897	7,897	0.0%
SBITA Interest Expense ³	384	352	254	203	(51)	(19.9%)
Total Operating Expenses plus Lease Interest	446,079	530,187	553,476	595,135	41,659	7.5%
NOI w/o Lease Interest Income/Expense	360,598	339,326	382,895	395,849	12,954	3.4%
NOI with Lease Interest Income/Expense	360,211	338,967	382,641	397,620	14,979	3.9%
Debt Service Coverage	2.64	1.88	1.84	1.56	(0.28)	(15.2%)
ADF Cash Balance - Months of O&M	14	17	18	18	-	0.0%
CPE	17.52	18.14	19.43	21.10	1.67	8.6%
Non-Aero NOI (\$ in 000s)	181,299	175,868	182,986	157,847	(25,139)	(13.7%)
Enplaned passengers (in 000s)	22,966	26,265	26,737	27,031	294	1.1%
Capital Expenditures (\$ in 000's)	311,631	683,833	717,598	835,887	118,289	16.5%
Notes:						
1. Lease Interest Income actuals (under Non-Operating account).						
2. Payroll Expenses include DRS pension credits in the 2025 and 2024 actuals.						
3. SBITA (Subscription-Based IT Arrangement) is defined as a contract that conveys control of the right to use another party's IT software as specified in the contract for a period of time in an exchange or exchange-like transaction.						

2026 OPERATING BUDGET



Total Airport Expense Summary

Total Airport Expense Summary (\$ in 000's)	2023 Actuals	2024 Actuals	2025 Budget	2026 Proposed Budget	Incr (Decr) Change from 2025 \$ %	
Operating Expenses						
Payroll (excludes Pension Credit)	193,126	223,027	232,069	253,455	21,386	9.2%
Outside Services	87,450	104,086	125,654	122,930	(2,724)	(2.2%)
Utilities	23,285	25,543	26,966	26,936	(30)	(0.1%)
Charges to Capital	(24,378)	(29,084)	(40,184)	(38,614)	1,570	(3.9%)
Other Expenses	42,037	50,681	49,961	58,271	8,310	16.6%
Total Airport Direct Charges	321,521	374,253	394,465	422,977	28,512	7.2%
Environmental Remediation Liability	13,017	2,600	1,589	2,267	678	42.7%
Airline Realignment	(86)	0	0	0	0	0.0%
Capital to Expense	480	553	0	0	0	0.0%
Total Exceptions	13,411	3,153	1,589	2,267	678	42.7%
Total Airport Expenses¹	334,931	377,406	396,054	425,244	29,190	7.4%
Central Services	95,740	125,262	111,534	115,703	4,168	3.7%
Police	33,750	39,709	38,624	39,200	575	1.5%
Maritime/Economic Development/Other	4,840	6,028	7,009	6,888	(121)	(1.7%)
Total Charges from Other Divisions	134,331	170,999	157,167	161,790	4,623	2.9%
Total Operating Expenses (Before Pension Credit)	469,263	548,405	553,222	587,035	33,813	6.1%
Reduced by Pension Credit	(23,572)	(18,577)	0	0	0	0.0%
Total Operating Expenses (After Pension Credit)	445,691	529,828	553,222	587,035	33,813	6.1%
Lease and SBITA Interest Expense	388	359	254	8,101	7,847	3,088.6%
Total Operating Expenses with Lease Expense	446,079	530,187	553,476	595,135	41,659	7.5%

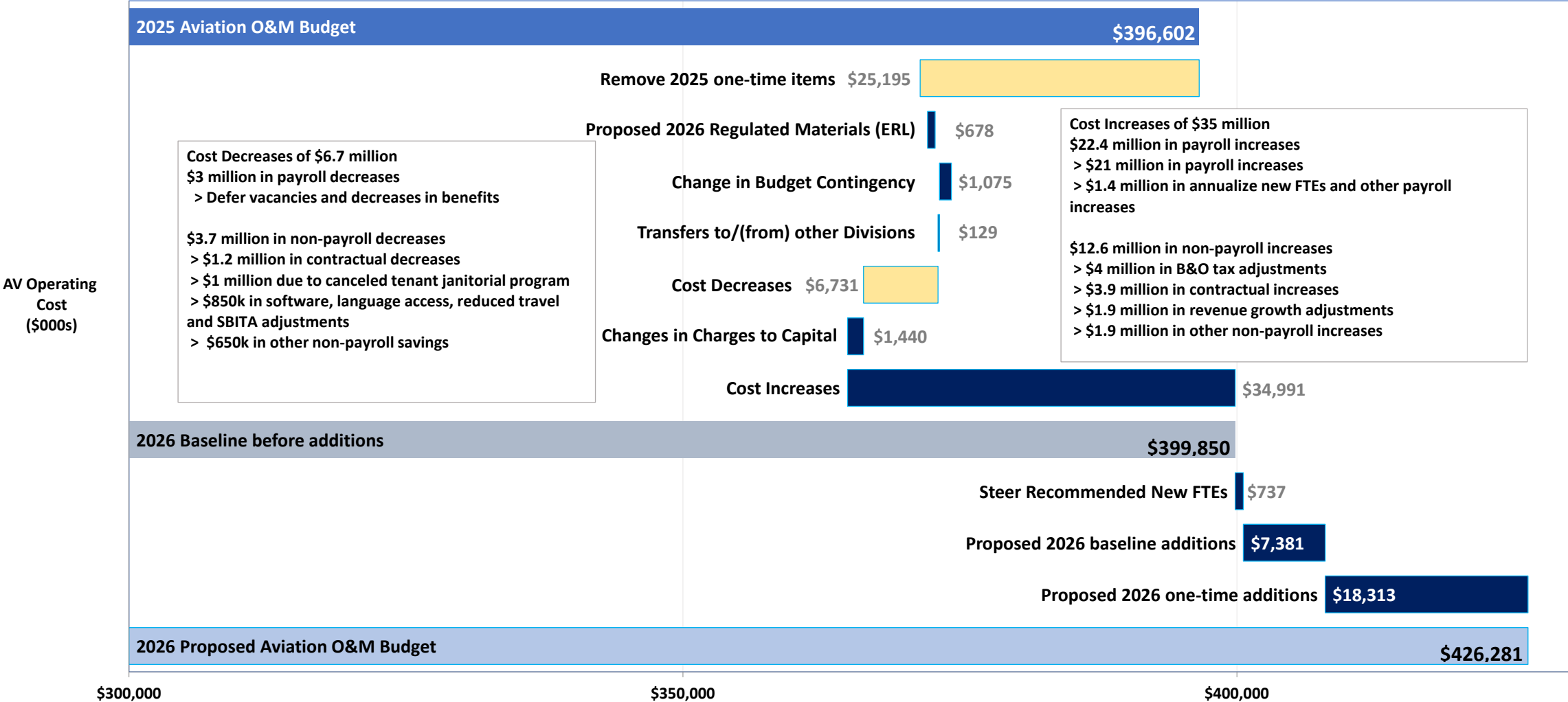
1) Annual variance (~\$1M) is driven by expenses charged to other divisions.

Aviation Operating Expense Budget Summary

	\$ in 000's	
2025 Approved Budget	396,602	
<i>Remove 2025 One-time budget items</i>	<i>(25,195)</i>	
<i>Cost reductions & Charges to Capital</i>	<i>(7,226)</i>	
<i>Cost increases & Change in ERL</i>	<i>35,669</i>	
2026 Baseline	399,850	< 1%
<i>Budget requests</i>	<i>26,431</i>	
2026 Budget	426,281	7.5%

Represents Airport Direct Charges only

Aviation Operating Expense Budget Changes



Note: Aviation division **Org Basis** – this chart does **not** include direct charges or allocations from other divisions. Budget requests are net of grants

2026 Budget Requests by Business Plan Category

Category	\$000s	# of Requests	Baseline	Non-Baseline	Total
Asset & Financial Stewardship		40	\$4,375	\$9,476	\$13,851
Customer Experience		13	\$851	\$440	\$1,291
Employee Engagement		5	\$0	\$553	\$553
Health, Safety, and Security		17	\$542	\$4,168	\$4,710
Sustainability & Community		13	\$1,289	\$3,677	\$4,966
10 FTEs (8 Steer, 2 Cyber Security)		10	\$1,005	\$56	\$1,061
TOTAL		98	\$8,062	\$18,370	\$26,432

Largest Approved Budget Requests

Description	Total (\$000s)
TSA Exit Lane Staffing	\$3,500
Expense Components Related to Capital Projects	\$2,605
N06478 FCSP/Flight Corridor Safety Program - Port Property	\$2,002
Onsite Consultants to Tenant Expense	\$2,000
On Call Planning - Airfield Study	\$1,725
Zone 2 - Custodial Service Contract New RFP	\$1,650
Lounge Operating Expense Increase	\$1,200
SEA Moves: Contractor Support	\$769
Part 150 Noise and Land Use Compatibility Study	\$750
2026 New Air Service Incentive Program	\$700
Checked Baggage Technical Contract for Onsite Support	\$670
SAMP NTP Environmental Review (SEPA)	\$550
SEA Building Information Modeling	\$500

Aviation 2026 Budget FTE Review

- Reviewed all vacant positions including positions unfilled for a year
- Limited new FTEs for 2026
 - Steer Staffing Study 2026 FTE Recommendation = 24
 - **Aviation 2026 Recommended FTEs = 10**

Aeronautical NOI

Aeronautical NOI (\$ in 000's)	2023 Actuals	2024 Actuals	2025 Budget	2025 Forecast	2026 Proposed Budget	Incr (Decr) Change from 2025 Budget \$ %
Rate Base Revenues						
Airfield Movement Area	142,797	170,821	166,149	168,041	181,983	15,834 9.5%
Airfield Apron Area	26,118	32,270	35,432	35,931	35,478	46 0.1%
Terminal Rents	251,892	279,722	286,307	289,814	319,050	32,743 11.4%
Federal Inspection Services (FIS)	41,214	15,206	49,811	49,918	54,056	4,246 8.5%
Total Rate Base Revenues	462,020	498,019	537,699	543,704	590,568	52,869 9.8%
Airfield Commercial Area	17,677	22,922	26,137	26,866	24,934	(1,203) (4.6%)
Total Aeronautical Revenues	479,697	520,942	563,836	570,570	615,502	51,666 9.2%
Total Aeronautical Expenses	308,162	367,736	373,174	381,760	387,462	14,288 3.8%
SBITA Interest Expense	332	281	218	218	165	(53) (24.3%)
Adjusted Aeronautical NOI after Lease expense	171,203	152,925	190,445	188,592	227,876	37,431 19.7%
Debt Service	(144,395)	(157,518)	(179,527)	(179,527)	(204,309)	(24,782) 13.8%
Net Cash Flow	26,808	(4,593)	10,917	9,065	23,566	12,649 115.9%

¹Aeronautical revenues follow a cost recovery model under FAA regulations and the Signatory Lease & Operating Agreement. Aeronautical operating, debt services of capital costs net of grants are recovered through airlines rates and charges. Increases in revenues are tied to increases in costs.

²Net cash flow balance increases due to amortization with cash funding on capital projects.

Non-Aeronautical NOI

Non-Aeronautical NOI	2023	2024	2025	2025	2026	Incr (Decr)	
(\$ in 000's)	Actuals	Actuals	Budget	Forecast	Proposed Budget	Change from 2025 Budget	
						\$	%
Non-Aeronautical Revenues							
Transportation Mgmt Assoc	-	-	-	631	717	717	0.0%
Public Parking	110,990	116,626	119,634	116,403	114,531	(5,103)	(4.3%)
Rental Cars	63,460	66,271	67,197	69,128	67,862	665	1.0%
Ground Transportation	24,878	23,946	25,901	24,578	24,896	(1,005)	(3.9%)
Employee Parking ¹	10,574	10,462	14,393	12,261	14,138	(255)	(1.8%)
Landside Total	209,902	217,304	227,125	223,000	222,144	(4,981)	(2.2%)
AV Business & Properties	40,374	46,363	57,027	62,673	56,497	(530)	(0.9%)
Airport Dining & Retail ¹	65,952	73,703	76,630	72,799	77,078	448	0.6%
Tenant Marketing	1,532	902	-	-	503	503	
AOB Conference Center	185	252	280	200	228	(52)	(18.6%)
AV Commercial Management	67,670	74,857	76,910	72,999	77,809	899	1.2%
Utilities	8,666	9,578	10,838	10,838	10,551	(287)	(2.6%)
AV Service Groups	(20)	110	381	1,011	381	-	0.0%
Total Non-Aeronautical Revenues	326,592	348,213	372,280	370,521	367,381	(4,899)	(1.3%)
Total Non-Aeronautical Expenses	137,529	162,092	180,048	182,230	199,573	19,524	10.8%
Non-Aeronautical NOI	189,063	186,121	192,232	188,291	167,809	(24,424)	(12.7%)
Less: CFC Excess	(7,709)	(10,174)	(9,210)	(9,210)	(11,896)	(2,686)	29.2%
Lease Interest Income ²	-	-	-	-	9,872	9,872	
Lease Interest Expense/SBITA	(56)	(79)	(36)	(35)	(7,938)	(7,901)	21,770.9%
Adjusted Non-Aeronautical NOI	181,299	175,868	182,986	179,046	157,847	(25,139)	(13.7%)
Debt Service	(27,096)	(43,887)	(34,633)	(34,633)	(48,701)	(14,068)	40.6%
Net Cash Flow	154,203	131,981	148,353	144,413	109,146	(39,207)	(26.4%)

1. Includes lease payments from tenants as non-operating interest income instead of operating revenues.

2. Lease payments from tenants treated as non-operating interest income and lease interest expenses.

3. International Place was not included in the 2025 Budget

Commission 2026 Budget Priority

\$25K for Connector/Offsite Check-in Feasibility Study

Feasibility study to explore a landside bus service/offsite security check-in opportunity between Sea-Tac International Airport and Paine Field.

**Funding for ongoing childcare feasibility study was approved in 2025 and funding for anti-human trafficking campaign was moved to Central Services*



EQUITY IN SPENDING

Equity Spending Highlights

New Equity Spending in 2026 Budget:

\$24K – Airport Interactive Map (Language Add-On)

\$50K – Increase in SEA Pathfinder Program Support

Total New Equity Spending: \$74K

2026 Aviation Budget Key Takeaways

Revenues

- Conservative growth in passenger forecast
- Conservative growth in Non-Aeronautical revenues
- 6% increase in total revenues

Expenses

- 6.1% increase in total operating expenses
- 10 FTEs to achieve key initiatives
- Increases in payroll and medical benefits
- \$5M investment in the Aviation Sustainability
- \$25K investment in Commission's budget priority
- \$74K in Equity in Spending

Financial Forecast

- Debt service coverage at 1.56x in 2026
- 18 months of O&M cash on hand in 2026
- CPE forecast for 2026 is \$21.10

Budget Uncertainties/Risks

- Slowing economic growth
- Environmental remediation liability costs
- Emergency mitigation on critical infrastructure
- Impacts of lower revenues and higher costs

QUESTIONS?



APPENDIX – AVIATION DIVISION



Aviation Appendix Table of Contents

1. 2026 Business Plan

2. Operating Budget

- 2026 Approved Budget Request Detail Listings
- Aeronautical Business Detail
- Non-Aeronautical Business Detail

3. Other Supporting Information

- Environmental Remediation Liability Detail
- Acronym List

2026 BUSINESS PLAN



Aviation Division Strategic Focus Areas

Aviation Division 2026 Priorities & the Port of the Future

- 1. Health, Safety, and Security** – Ensure the wellbeing and protection of all while fostering a culture of awareness and preparedness (Shared Vision, Shared Success)
- 2. Customer Experience** – Deliver an elevated customer experience that is enjoyable and efficient (Shared Vision, Shared Success, Effective and Efficient)
- 3. Asset & Financial Stewardship** – Operate, maintain and upgrade **SEA** to accommodate air service demand while ensuring financial sustainability (Built to be Resilient, A Catalyst for Growth)
- 4. Employee Engagement** – Empower people, engage minds and inspire performance (Shared Vision, Shared Success)
- 5. Sustainability & Community** – Engage and partner with the Puget Sound region supporting healthy, safe and equitable communities (A Hub for Zero Emission Economy)



Mandatory/Regulatory

1. Health, Safety & Security:

- a. Zero major, intermediate or repeat Part 139 discrepancies
- b. Zero major & repeat TSA discrepancies

2. Sustainability & Community:

- a. Final Noise Exposure Maps accepted by FAA
- b. SAMP NTP – Final SEPA EIS Q4
- c. NPDES (Stormwater) permit renewal by Q3

Wildly Important Goals (WIGs)

- 1. Health, Safety & Security:** Achieve 5% reduction from the previous year in SMS major incident rate
- 2. Employee Engagement:** Implement action plans from 2025 Employee Engagement Survey
- 3. Customer Experience:** 85% of customers experience a TSA line wait under 30 minutes
- 4. Customer Experience:** Elevate the SEA customer during the 2026 FIFA World Cup and beyond to achieve an overall Airport Service Quality rating of 4.0
- 5. Asset & Financial Stewardship:** Maintain debt service coverage >1.4x

Pretty Important Goals (PIGs)

1. **Health, Safety and Security:** Safety evaluation score greater than 90%
2. **Asset & Financial Stewardship:** Critical infrastructure planning and development including STS and CMP
3. **Asset & Financial Stewardship:** Increase non-aero revenue per enplanement by X%
4. **Customer Experience:** Parking Garage Security Enhancements
5. **Sustainability & Community:** GHG Emission Reduction by Scope 1, 2, & 3 (3 initiatives)

SWOT Profile

Strengths:

- SEA Brand, customer-focused culture, tenant engagement
- Emerging technologies enhance customer experience, revenue and operational efficiencies
- New acquisitions: Office Buildings & MasterPark purchases
- High performing grant solicitation program

Weaknesses:

- Increasing airport cost to airlines/tenants
- Project construction impacts
- Capital program affordability
- Constrained and aging facilities
- Staffing challenges

Opportunities:

- Regional economy, demand for travel (2026 FIFA World Cup)
- Emerging technologies to enhance customer experience
- Growth through AAG alliance with Oneworld
- Community interests

Threats:

- Cyber attacks
- Regulatory uncertainty and lack of agency resources
- Volatile construction market, supply chain issues, labor shortages, pilot shortage, increasing cost, tariffs
- Schedule disruption to Sustainable Airport Master Plan environmental review

2026 PROPOSED BUDGET REQUESTS



Budget Requests: Asset & Financial Stewardship

Budget Request Title	Baseline	Non-Baseline	Total
Onsite Consultants to Capital - (100% capital)	\$0	\$11,563,606	\$11,563,606
Onsite Consultants to Capital - Offset	\$0	(\$11,563,606)	(\$11,563,606)
Expense components related to Capital Projects	\$0	\$2,605,000	\$2,605,000
Project Controls support	\$0	\$2,584,442	\$2,584,442
Project Controls support related to Capital	\$0	(\$2,338,442)	(\$2,338,442)
Onsite Consultants to Tenant Expense	\$0	\$2,000,000	\$2,000,000
On call planning - airfield study	\$700,000	\$1,025,000	\$1,725,000
Zone 2 - Custodial Service Contract New RFP	\$1,650,000	\$0	\$1,650,000
2026 Lounge OpEx Increase	\$1,200,000	\$0	\$1,200,000
2026 New Air Service Incentive Program	\$0	\$700,000	\$700,000
SEA BIM 2026	\$0	\$500,000	\$500,000
Comprehensive Survey of Airport Property	\$0	\$450,000	\$450,000
Renewal of our Operational Technology system aging hardware	\$0	\$291,000	\$291,000
Clean Buildings Performance Standard Compliance	\$0	\$275,000	\$275,000
STOC Tenant Improvement Allowance	\$0	\$250,000	\$250,000
Preconditioned Air Improvements	\$0	\$200,000	\$200,000
Project Development Technical Support	\$0	\$150,000	\$150,000
188th Street Tunnel Mechanical Service Contract	\$150,000	\$0	\$150,000
Taxi Virtual Queue Implementation Consultant	\$0	\$150,000	\$150,000
ADDITION: Various Terminal Furniture Replacements	\$150,000	\$0	\$150,000

Budget Requests: Asset & Financial Stewardship (cont'd)

Budget Request Title	Baseline	Non-Baseline	Total
Building Envelope Assessment	\$0	\$100,000	\$100,000
STOC space planning/scenario support	\$0	\$100,000	\$100,000
Landside Pavement Management Program	\$0	\$100,000	\$100,000
Concourse C Expansion Solar Panel Service Contract	\$100,000	\$0	\$100,000
Additional Building Permit Plan & Inspection Review Support	\$100,000	\$0	\$100,000
Concourse C Expansion Heat Pump Service Contract	\$75,000	\$0	\$75,000
188th Street Tunnel Inspection - Electrical Service Contract	\$75,000	\$0	\$75,000
Outfit new Conc A lounge	\$0	\$75,000	\$75,000
Department of Ecology Dam Safety Support	\$65,000	\$0	\$65,000
Stormwater Vault Cleaning	\$0	\$55,000	\$55,000
Projects estimating Consulting Services	\$0	\$54,000	\$54,000
Replace/Add Port owned/leased passenger baggage cages	\$0	\$50,000	\$50,000
*Life Cycle Cost Analysis (LCCA) Implementation	\$0	\$50,000	\$50,000
Additional Accela licenses & implementation of ePermitHub	\$50,000	\$0	\$50,000
Rental Car Facility (RCF) Maintenance and other contract services	\$35,000	\$0	\$35,000
West MSE Wall Tie Back Condition Inspection	\$0	\$25,000	\$25,000
Stormwater Pond Vegetation Cleaning	\$25,000	\$0	\$25,000
Develop Enterprise Asset Management Dashboard for Maximo Interfac	\$0	\$25,000	\$25,000
Asset & Financial Stewardship Total	\$4,375,000	\$9,476,000	\$13,851,000

Budget Requests: Customer Experience

Budget Request Title	Baseline	Non-Baseline	Total
Daifuku Services America Corporation - Service Contract for Onsite Personnel	\$670,000	\$0	\$670,000
SEA Branding	\$0	\$100,000	\$100,000
Additional Lost & Found Contract Scope	\$85,000	\$0	\$85,000
Pet Relief area replacements	\$0	\$60,000	\$60,000
SEA Supplemental Signage	\$0	\$60,000	\$60,000
Purchase 3000 Baggage Tubs for travellers with odd-size	\$0	\$60,000	\$60,000
Garage stall restriping for ADA compliance (Reserved Parking expansion)	\$0	\$50,000	\$50,000
SEA Pathfinder Program	\$0	\$50,000	\$50,000
SEA Public Engagement Events	\$0	\$50,000	\$50,000
FID System Support	\$40,000	\$0	\$40,000
Employee Parking Expansion - Baseline Support	\$32,000	\$0	\$32,000
Airport Interactive Map (Atrius) Language Add-On - Language Access	\$24,000	\$0	\$24,000
Language Access - Signage	\$0	\$10,000	\$10,000
Customer Experience Total	\$851,000	\$440,000	\$1,291,000

Budget Requests: Employee Engagement

Budget Request Title	Baseline	Non-Baseline	Total
Childcare Center Feasibility Study	\$0	\$350,000	\$350,000
Office Space furniture/chair replacement	\$0	\$100,000	\$100,000
Training budget	\$0	\$60,000	\$60,000
Purchase Equipment for the Baggage Handling System (BHS) Operation team	\$0	\$25,000	\$25,000
New Lockers for additional FTEs	\$0	\$18,000	\$18,000
Employee Engagement Total	\$0	\$553,000	\$553,000

Budget Requests: Health, Safety, and Security

Budget Request Title	Baseline	Non-Baseline	Total
TSA Exit Lane Staffing	\$0	\$3,500,000	\$3,500,000
Part 139 compliance_New Asset	\$200,000	\$0	\$200,000
Apparatus Tools, Equipment, and Training Supplies	\$30,000	\$140,000	\$170,000
Fire Alarm Equipment	\$0	\$150,000	\$150,000
Bunker Gear Cleaning	\$0	\$100,000	\$100,000
Hazardous Materials (HazMat) Equipment	\$0	\$100,000	\$100,000
CPB Enhanced Primary Passenger Contract	\$75,000	\$8,500	\$83,500
Fire Extinguishers	\$65,000	\$0	\$65,000
Increased cost for uniform rental/laundrying service for Field Crew and new uniform for Painters and stripers	\$65,000	\$0	\$65,000
Self Contain Breathing Apparatus (SCBA)	\$0	\$50,000	\$50,000
Personal Protective Equipment (PPE) and Uniforms	\$0	\$50,000	\$50,000
Technical Rescue Equipment	\$42,000	\$0	\$42,000
Public Automated External Defibrillators (AED)	\$0	\$40,000	\$40,000
Purchase of Software Licenses Poppulo Licenses related to a new signage for Check point 1	\$35,000	\$0	\$35,000
Cloud Storage Transcore (Parking System) for collecting commercial vehicle revenues	\$30,270	\$0	\$30,270
Chlorine Analyzer Pilot Project	\$0	\$19,000	\$19,000
Third party evaluation and audit of SMS performance & efficacy	\$0	\$10,000	\$10,000
Health, Safety, and Security (includes passengers) Total	\$542,270	\$4,167,500	\$4,709,770

Budget Requests: Sustainability & Community

Budget Request Title	Baseline	Non-Baseline	Total
N06478 FCSP/Flight Corridor Safety Program - Port Property	\$0	\$2,001,500	\$2,001,500
SEA Moves: Contractor Support	\$769,000	\$0	\$769,000
Part 150 Noise and Land Use Compatibility Study	\$0	\$750,000	\$750,000
SAMP NTP Environmental Review (SEPA)	\$0	\$550,000	\$550,000
Summer Bussing Operations (Terminal to Terminal)	\$255,000	\$0	\$255,000
Stormwater Permit Renewal Support	\$0	\$150,000	\$150,000
PFAS Treatment Technology Pilot Test	\$0	\$150,000	\$150,000
Land Stewardship (Washington Conservation Corps)	\$100,000	\$0	\$100,000
Language Access Plan - AVCM requirements	\$85,000	\$0	\$85,000
Air Quality Technical Services (Regulatory)	\$80,000	\$0	\$80,000
SEA Moves: UW TRAC	\$0	\$50,000	\$50,000
Aqueous Film Forming Foam (AFFF) Rebound Monitoring	\$0	\$25,000	\$25,000
Sustainability & Community Total	\$1,289,000	\$3,676,500	\$4,965,500

Aviation Workforce Analysis Background

- In 2023 the Port of Seattle engaged Steer, a global management consulting firm, to conduct a Workforce Analysis of the Aviation Division.
- Steer, supported by Seattle-based consultants Onit, carried out the work between October 2023 and April 2024.
- Steer's findings were completed and presented to the Aviation Directors along with supporting documentation to assist with onward communication of the findings throughout Aviation.

Steer Recommendation – 68 FTEs

- 2 recommended FTEs were approved mid-year in 2024
- 39 recommended FTEs were approved in 2025 Budget
- 24 FTEs recommended for 2026
- 3 FTEs recommended for 2027

Aviation 2026 Budget FTE Review

- Reviewed all vacant positions including positions unfilled for a year
- Limited new FTEs for 2026
 - Steer 2026 FTE Recommendation = 24
 - **Aviation 2026 Recommended FTEs = 10**
 - **8 STEER recommended FTEs** (16 STEER recommended FTEs deferred to 2027)
 1. Property Manager, AV Business & Properties dept
 2. ACC Operations Controller, Combined Communication dept
 3. Sr. Financial Analyst (Non-aero), AV Finance & Budget
 4. Utilities Engineer, AV Facilities & Infrastructure
 5. Building Inspector, AV Building Dept
 6. Stormwater Compliance Support, AV Environmental Programs
 7. Training Coordinator, Maintenance Asset Mgt & Logistics
 8. Auto Machinist, Facility, Fleet, System & Grounds
 - **2 New FTEs for Cybersecurity**
 1. Electronic Technician, AV Maintenance
 2. Electronic Technician, AV Maintenance

Planning Studies Detail

On-Call Planning	Amount	Description
PM Support and Small Planning Tasks	\$700,000	Provides funds to conduct work outside of individual Service Directives, including conducting overall contract program management; responding to emerging issues and requests for planning assistance from other departments; and providing technical support as needed to Port Planning staff.
Airfield Study	\$600,000	Develop and evaluate alternatives to comply with 500' RWY/TWY separation requirements, including potential reconfiguration of existing and planned facilities in the non-movement area east of RWY 16L/34R.
Energy Supply Strategies Plan	\$400,000	Develop a total electrical energy forecast tool for collaborating with utilities, including transmission, distribution, and production capacity.
Connector/Offsite Check-in Feasibility Study	\$25,000	Feasibility study to explore a landside bus service/offsite security check-in opportunity between Sea-Tac International Airport and Paine Field.
TOTAL	\$1,725,000	

AERONAUTICAL BUSINESS



Aeronautical Business

- Cost recovery of aeronautical operating and capital expenses
 - Per FAA regulations
 - Revenue use policy: all airport revenue must be used to support the operating and capital costs of the airport
 - Rates and Charges policy guides aeronautical rate setting
 - » Airline rates must be fair, reasonable and not unjustly discriminatory
 - » Airfield rates must be based on cost recovery
 - » Airports may set airline rates by resolution, ordinance or agreement
 - Based on Signatory Lease and Operating Agreement (SLOA)
 - Signatory Lease & Operating Agreement (SLOA V runs from 2025 – 2034)
 - Positive cash flow after paying debt service due to equity amortization of cash funded capital projects
- Charge airlines for space and/or activity
- Cost per enplanement (CPE) is a key management metric
- Cost increases reflect growth in rate based operating expenses and debt service on new assets placed in service. As a result, CPE increased by 9% in the 2026 Budget.

Aeronautical Cost Drivers

\$ in 000's	2025 Budget	2026 Budget	Impact on Aero Revenues Budget vs Budget	
			\$	%
O&M ⁽¹⁾	360,905	375,023	14,119	3.9%
Debt Service Before Offsets	236,757	277,614	40,858	17.3%
Debt Service PFC Offset	(93,230)	(92,468)	762	-0.8%
Net Debt Service	143,527	185,146	41,620	29.0%
Amortization	36,712	33,685	(3,027)	-8.2%
Space Vacancy	(672)	(2,725)	(2,053)	305.4%
Grants and Other	(2,773)	(563)	2,210	-79.7%
Rate Base Revenues	537,699	590,568	52,869	10%
Commercial area	26,137	24,934	(1,203)	-5%
Total Aero Revenues	563,836	615,502	51,666	9%

(1) O&M, Debt Service Gross, and Amortization do not include commercial area costs or the international incentive expenses

Cost per Enplanement (CPE) Metric

Airline cost per enplanement reflects the overall cost to the airlines for each passenger enplaned.

The CPE measures the total costs borne by the passenger airlines operating at the airport divided by the number of enplaned passengers (roughly half of the total passengers).

	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2026 Budget
Cost per Enplanement (CPE)	26.50	15.93	16.09	17.52	18.14	19.43	21.10

Cost per Enplanement at Other Airports

Airport (Large Hub)	2026 CPE Forecast
DEN*	17.05
LAX*	37.60
ORD*	29.08
SEA	<i>21.10</i>
SFO*	29.03

* Sources: 2026 Budget documents or Preliminary Official Statement on bond issuance

NON-AERONAUTICAL BUSINESS



Non-Aeronautical Business

- Non-Aeronautical lines of business include:
 - Pre-security: Public Parking, Rental Cars, Taxis & other Ride Share vehicles, Airport Conference Center, Real Estate leases
 - Air Terminal: Dining & Retail, Port-owned Clubs, Other leased space
- Most rates are set based on fair market value
- Some rates are set based on cost recovery
 - *e.g., Select Ground Transportation operators*
- Non-Aero lines of business generate cash flow used to reinvest in the Airport

Non-Aeronautical Revenue

Revenue Summary by Dept. <i>(Non-Aeronautical Operating Revenue) Rollup</i>	2024	2025	2025	2026	Inc/(Dec) from 2025 Forecast		Inc/(Dec) from 2025 Budget	
	Actual	Budget	Forecast	Proposed Budget	\$ Change	% Change	\$ Change	% Change
3413-Transportation Mgmt Assoc	0	0	630,752	717,348	86,596	0.0%	717,348	0.0%
3420-Public Parking	116,658,076	119,634,088	116,402,658	114,530,622	(1,872,036)	(1.6%)	(5,103,466)	(4.3%)
3430-Rental Cars	66,270,654	67,196,700	69,127,529	69,548,623	421,094	0.6%	2,351,923	3.5%
3440-Employee Parking	10,464,473	14,393,462	12,260,922	14,138,329	1,877,407	15.3%	(255,133)	(1.8%)
3450-Ground Transportation	23,946,155	25,900,709	24,578,204	24,895,788	317,584	1.3%	(1,004,921)	(3.9%)
Landside	217,339,357	227,124,959	223,000,065	223,830,710	830,644	0.4%	(3,294,249)	(1.5%)
3630-Non-Aero Commercial Properties	21,750,473	32,703,775	22,921,111	24,504,590	1,583,479	6.9%	(8,199,185)	(25.1%)
3635-International Place Office		0	12,419,542	14,483,842	2,064,300	16.6%	14,483,842	0.0%
3645-Non-AirlineTerminal Leased Spc	7,909,004	7,729,726	8,293,610	8,248,688	(44,922)	(0.5%)	518,962	6.7%
3690-Club International Lounge	16,693,993	16,593,402	19,039,073	16,152,892	(2,886,181)	(15.2%)	(440,510)	(2.7%)
AV Business & Properties	46,353,469	57,026,903	62,673,336	63,390,012	716,676	1.1%	6,363,109	11.2%
3650-Airport Dining and Retail	73,714,600	76,630,101	72,798,551	78,369,399	5,570,848	7.7%	1,739,297	2.3%
3653-Tenant Marketing	901,877	0	0	503,351	503,351	0.0%	503,351	0.0%
4572-Airport Office Building Mgmt	252,043	280,000	200,000	228,000	28,000	14.0%	(52,000)	(18.6%)
AV Commercial Management	74,883,489	76,910,101	72,998,551	79,100,750	6,102,199	8.4%	2,190,648	2.8%
Utilities and Other	9,764,483	11,218,381	11,849,133	10,931,391	(917,742)	(7.7%)	(286,990)	(2.6%)
Non-Aeronautical Operating Revenue	348,340,799	372,280,344	370,521,086	377,252,863	6,731,777	1.8%	4,972,519	1.3%
Less: Lease Interest Income*	0	0	0	(9,871,801)	(9,871,801)		(9,871,801)	
Total Reported Non-Aeronautical Operating Revenue	348,340,799	372,280,344	370,521,086	367,381,061	(3,140,024)	(0.8%)	(4,899,283)	(1.3%)
<i>Total Enplanements</i>	<i>22,966,119</i>	<i>26,737,215</i>	<i>26,461,423</i>	<i>27,031,057</i>	<i>569,635</i>	<i>2.2%</i>	<i>293,842</i>	<i>1.1%</i>
<i>International Enplanements</i>	<i>2,185,252</i>	<i>3,338,279</i>	<i>3,553,031</i>	<i>3,788,180</i>	<i>235,149</i>	<i>6.6%</i>	<i>449,901</i>	<i>13.5%</i>
<i>O&D Enplanements</i>	<i>15,708,825</i>	<i>18,609,102</i>	<i>18,417,150</i>	<i>18,759,554</i>	<i>342,403</i>	<i>1.9%</i>	<i>150,452</i>	<i>0.8%</i>

Non-Aero Revenue Walk to 2026 Budget

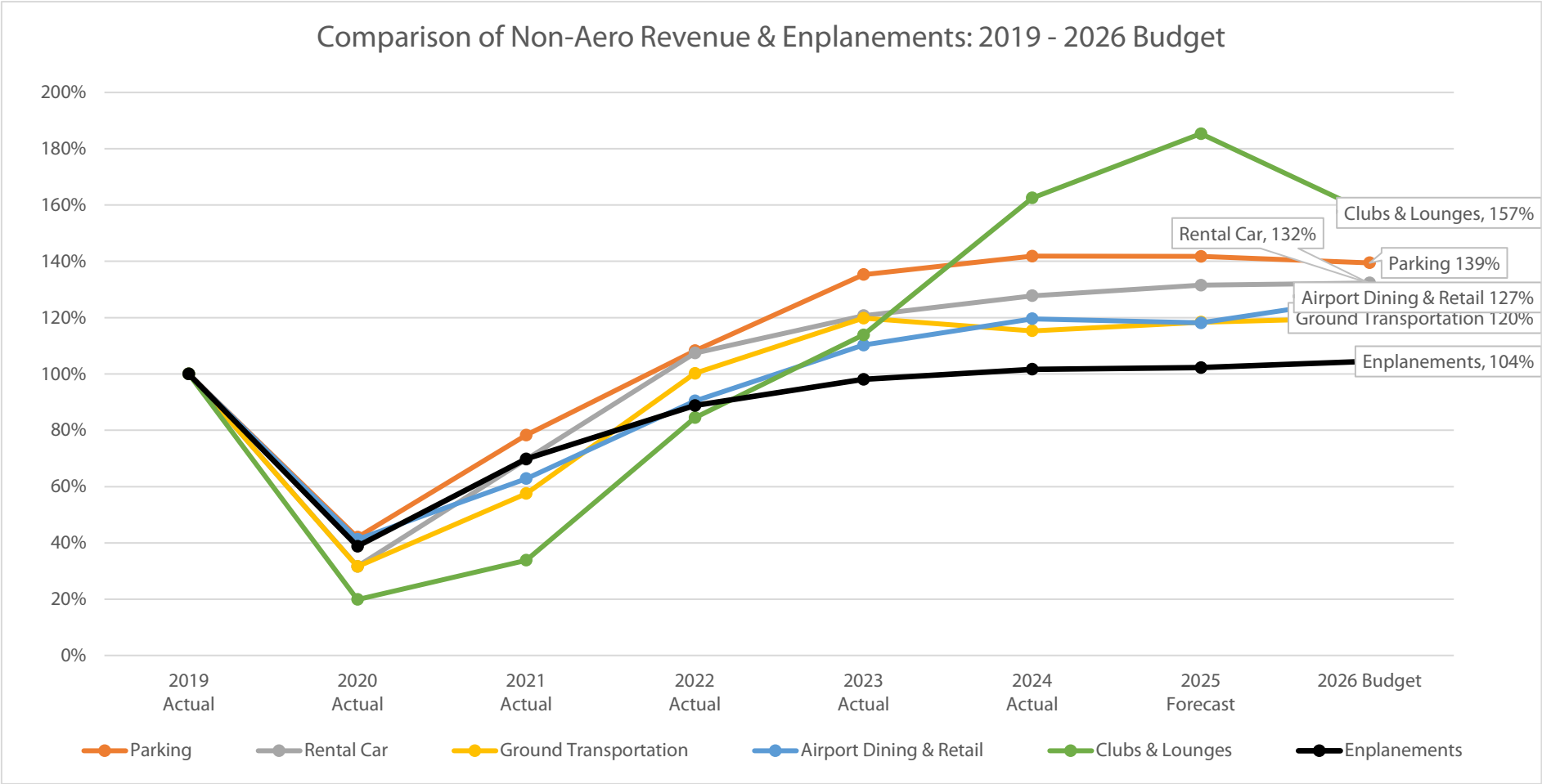


2026 Total Non-Aero Revenues expected to grow by **\$6.7M / 1.8%** vs. the latest FY25 Forecast – and grow by \$5.0M / 1.3% vs. the 2025 Budget

- AVBP includes: Flight Kitchens, CLEAR, SEA Clubs & Lounges, and other non-aero lease agreements
- All Other includes: AOB Conf Center, Tenant Marketing Fund, and Utilities (cost-recovery)
- Total Non-Aero Revenue includes Utilities but excludes GASB 87 lease interest income reporting adjustments

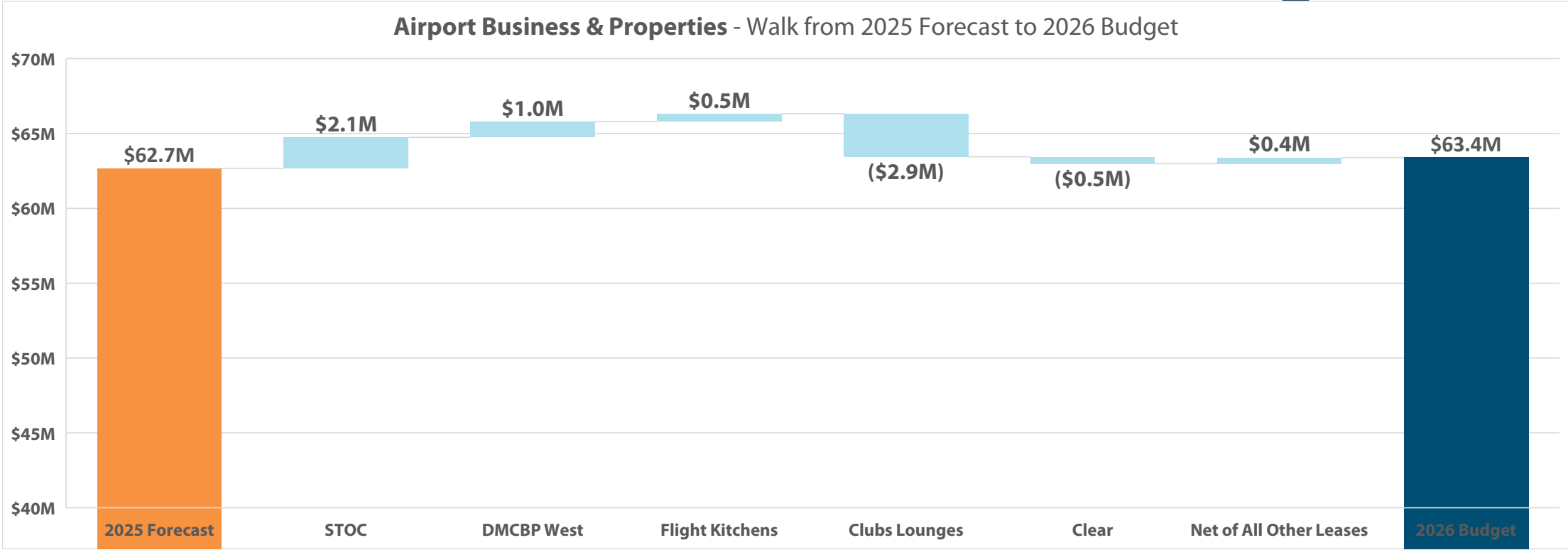
Non-Aero Revenue Recovery as % of 2019 Actual

Growth outpacing passenger volume recovery



BUSINESS & PROPERTIES DETAIL

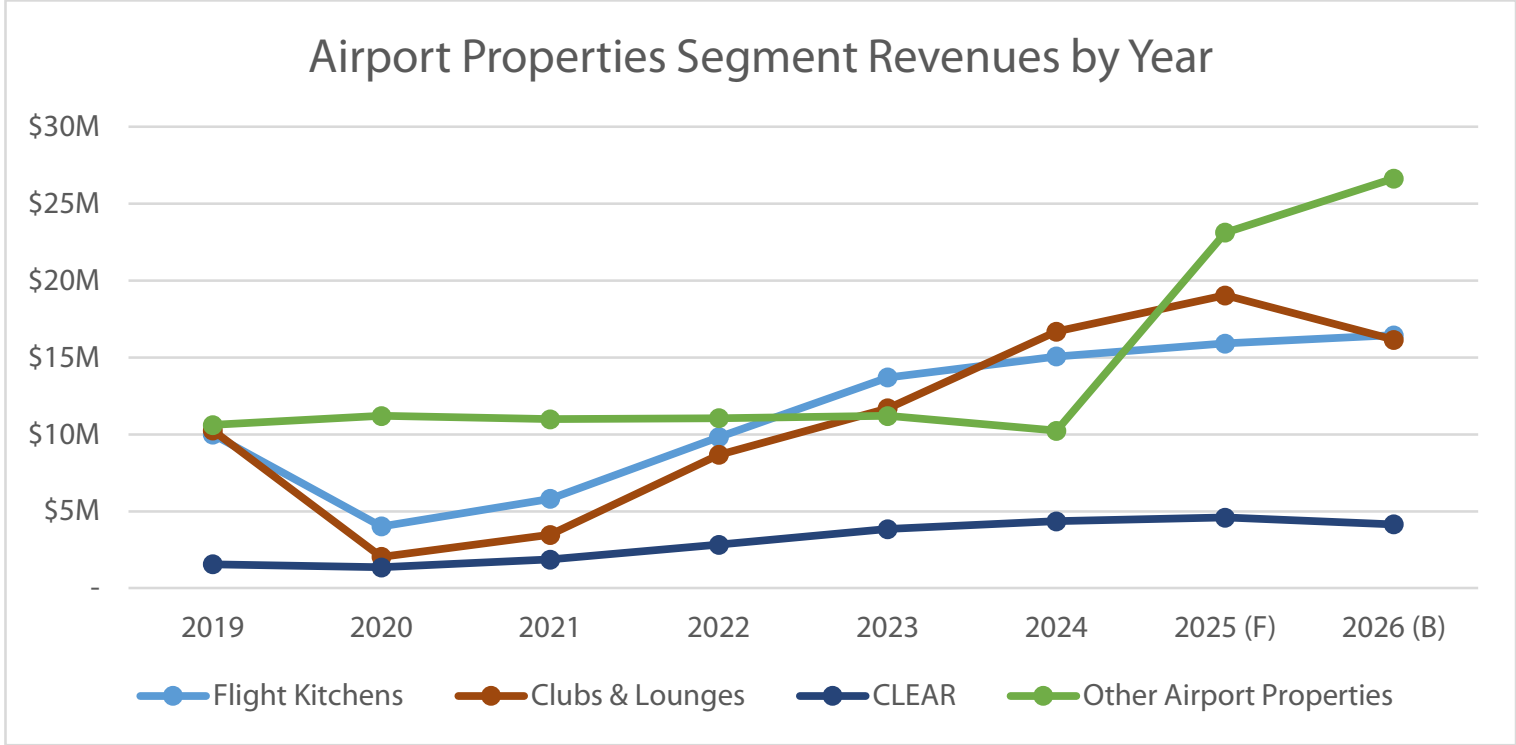
Walk to AVBP 2026 Revenue Budget



- 2026 AVBP Revenues are expected to come in **\$0.7M / 1.1%** above the FY25 Forecast (\$6.4M / 11.2% above the 2025 Budget). Growth driven primarily by STOC annualization and DMCBP West, offset by Clubs & Lounges.
 - \$2.1M STOC - Annualization after owning the property for just 10 months in 2025
 - \$1.0M DMCBP West - lease signed in 2025 and will commence shortly
 - \$0.5M Flight Kitchens - driven by international enplanement growth
 - (\$2.9M) Clubs & Lounges - SCE expected to close S Lounge in Q4 of 2026
 - (\$0.5M) Clear - Current concessions agreement ends in 2026 Q2 and new agreement expected to reduce catchment area from 3 states to 1

Non-Aeronautical – Airport Properties Revenue

Airport Properties Segment Revenues by Year



Commercial Real Estate (Other Airport Properties) Revenues – includes STOC property acquisition; primarily fixed rates per sq. ft. and therefore relatively unaffected by COVID-19 passenger volume declines/recovery.

Flight Kitchen Revenue – Closely tied to passenger volume. Revenue growth reflects both strong demand and upward pressure on prices which is reflected in concession fees on higher gross sales. However, space constraint will be a challenge for further growth.

CLEAR Revenue – Concession fee on CLEAR memberships were relatively unaffected by passenger volume decline/recovery. These memberships provide expedited access to other large venues, in addition to airport checkpoint queuing.

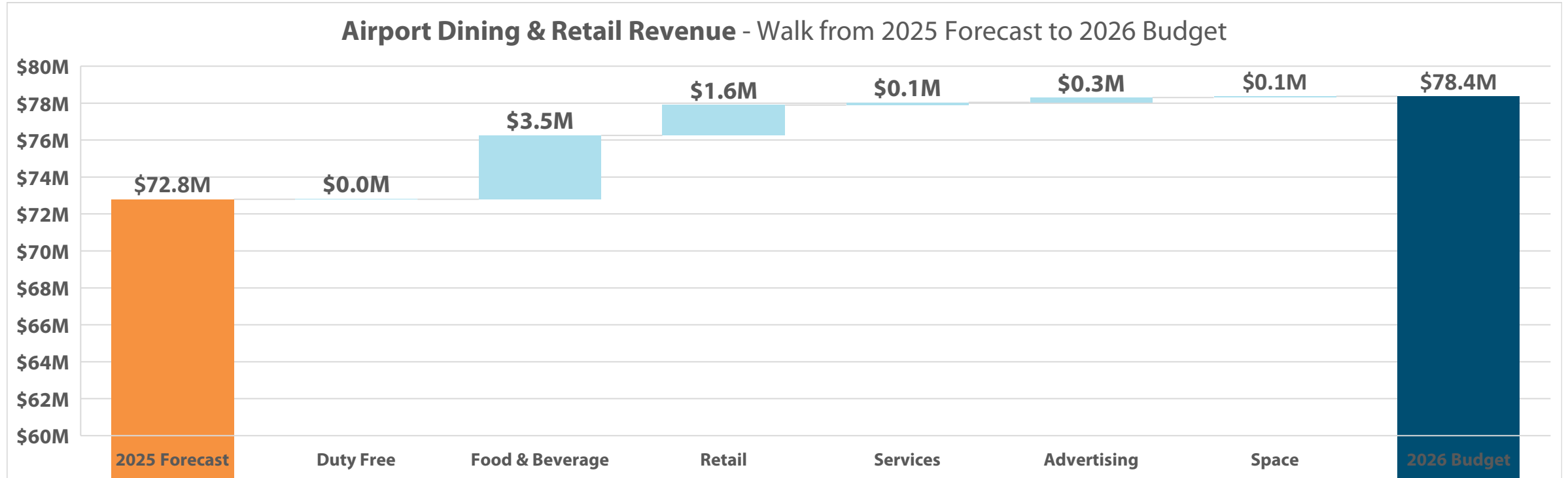
Third-Party Operated Lounges – Although recovered slower post-pandemic, demand continues to grow, and future outlook is strong with increased demand from growing international enplanements.

2026 Combined: 95.4% above 2019

COMMERCIAL MANAGEMENT DETAIL



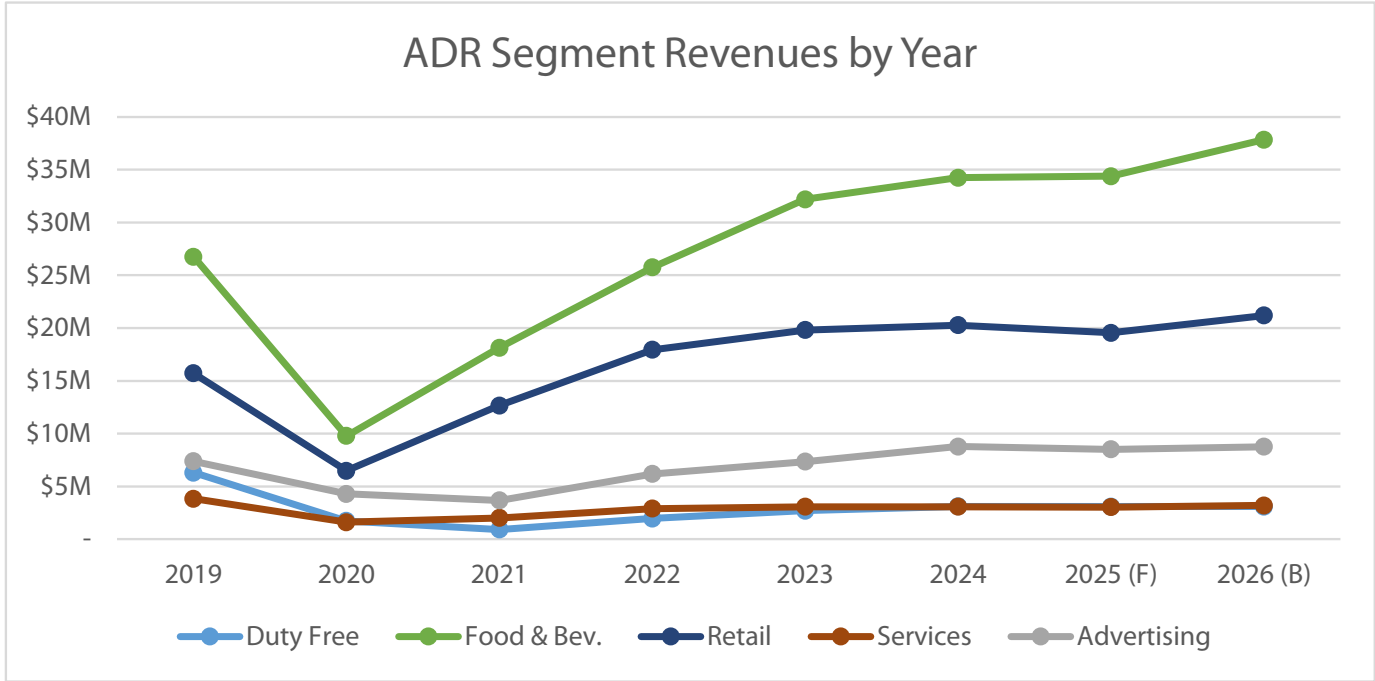
Walk to Airport Dining & Retail 2026 Revenue Budget



- 2026 ADR Revenues are expected to come in **\$5.6M / 7.7%** above the FY25 Forecast (\$1.7M / 2.3% above the 2025 Budget). C Concourse Expansion project will go live in summer 2026, driving higher Food & Beverage and Retail sales.

Non-Aeronautical – Airport Dining & Retail Revenue

ADR Segment Revenues by Year



2026 Combined: 19.3% above 2019

Airport Dining & Retail – recovery is ongoing, with certain elements rebounding more quickly than others. Despite strong demand from returning passengers, staffing issues among ADR concessionaires have somewhat dampened this growth. Looking ahead, while overall demand for ADR is expected to be strong, short-term revenue growth will face pressure due to the continued impacts of capital project construction.

Duty Free Revenue – was most dramatically impacted during pandemic, however with increase of international passengers and new lease agreement, growth continues into 2026.

Food & Beverage – faced challenges by mandated closures during 2020, and recovery was further slowed due to staffing challenges. Recent revenue growth reflects both strong demand and upward pressure on prices which is reflected in concession fees on higher gross sales.

Retail Revenue – continues to perform strongly after rapid recovery which exceeded pre-pandemic levels since 2022.

Advertising – building off strong performance in 2024 and 2025, Clear Channel revenue will continue to see modest growth.

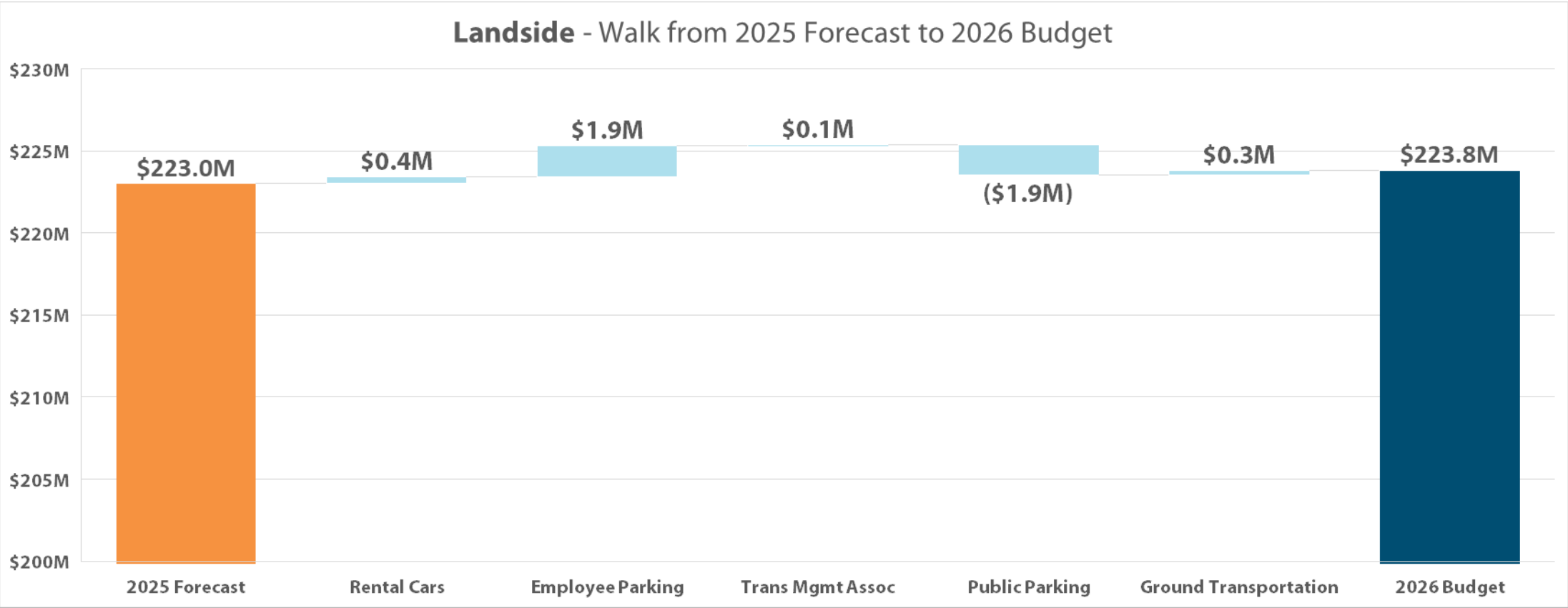
Service Revenue – slower recovery of international passengers impacted the recovery for service revenue. In addition, a new lease agreement for the foreign currency vendor resulted in lower concession fees.

Other Commercial Management Revenue

- Tenant Marketing Fund collection was intentionally paused effective July 2024 through 2025 to spend down the existing Tenant Marketing Fund balance. Collection will resume for Q3 2026.
- Conference Center revenue is planned to be \$228K in the 2026 Budget, an increase of \$28K, or 14%, above the current year forecast for 2025
 - Approximately 69% of business in the airport Conference Center is for internal Port meetings (not revenue generating) and 31% of the Conference Center business activity is external (revenue-generating).

LANDSIDE DETAIL

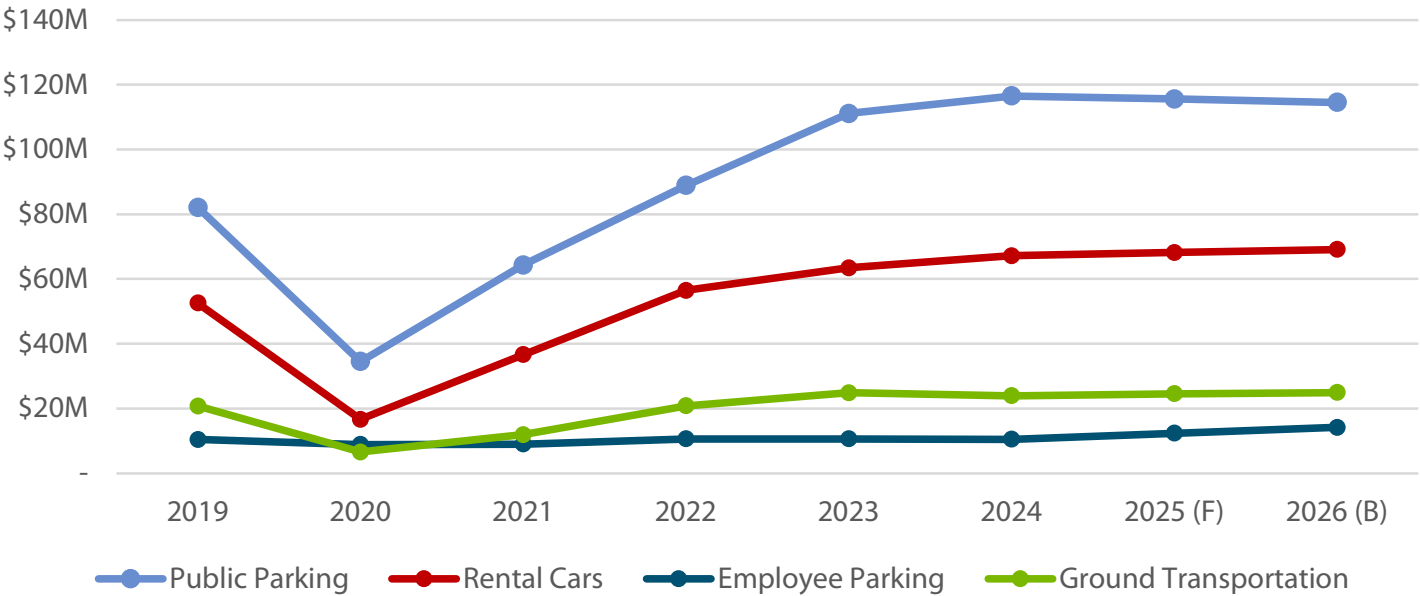
Walk to 2026 Landside Revenue Budget



- 2026 Landside Revenues are expected to be **\$0.8M / 0.4%** above the 2025 Forecast. Growth anticipated from higher enplanements, the opening of lots A&C, rate increases, and the launch of the TMA program

Landside Revenue Recovery

Landside Segment Revenues by Year



2026 Combined: 34.7% above 2019

Parking is the largest source of Non-Aero revenue at the airport.

- Demand for self-parking remained relatively high during the pandemic
- Strong revenue recovery reflects continued preference for close-in parking, as well as parking rate increases (prior increases implemented in 2019, 2022 & 2023)

Rental Cars – Limited vehicle availability since 2020 drove higher concession fees on lower activity volume. This has mostly stabilized, and we expect for rental rates to remain steady in 2026, with transaction growth also stabilizing.

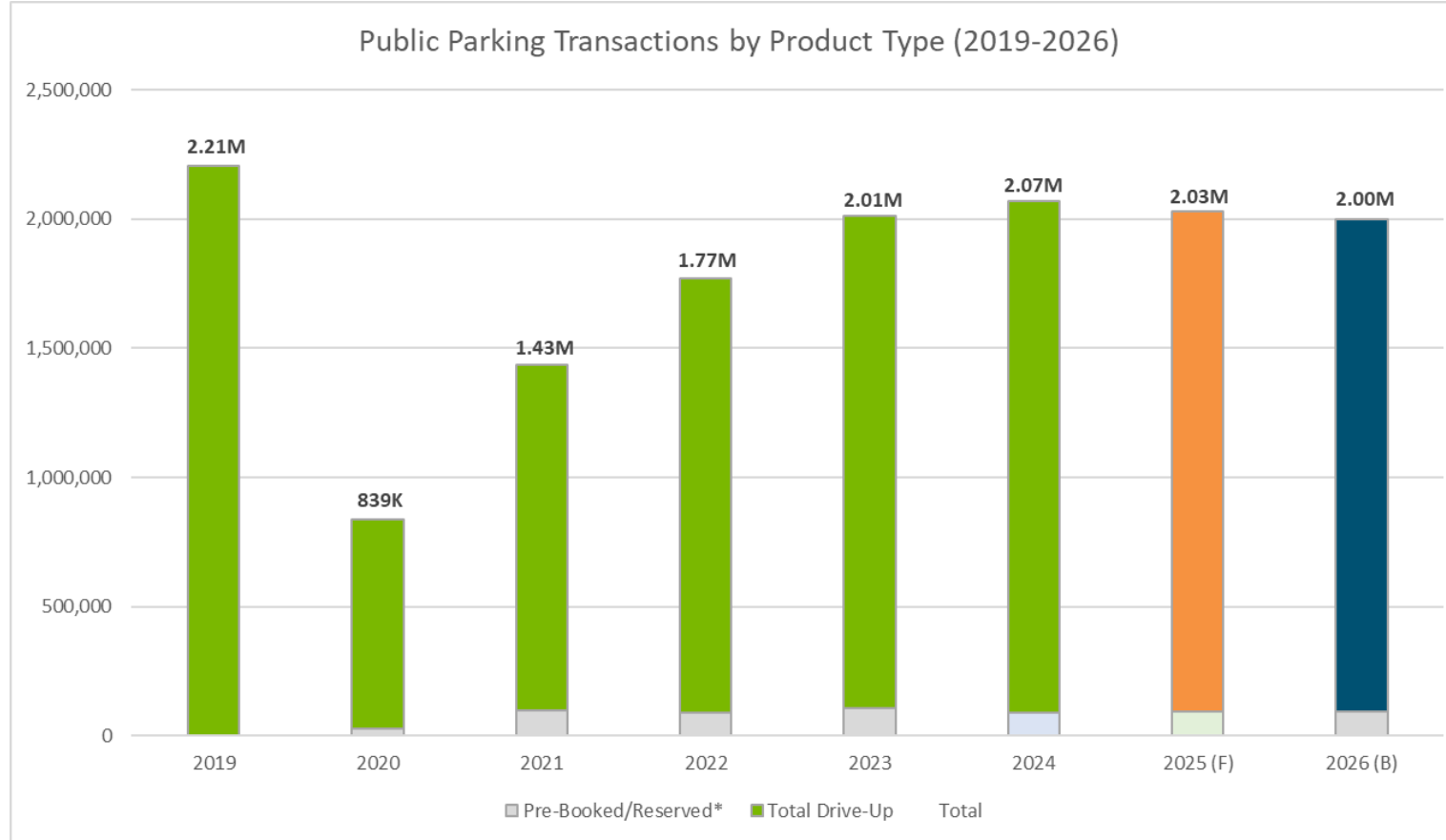
Ground Transportation – Slower recovery path reflected a longer timeline for customer preference to shift back to shared ride options, though now largely recovered

Employee Parking – Cost recovery revenue reflects only existing NEPL expenses

2026 Public Parking Revenue

- Parking Revenue is expected to be \$114.5M, a decrease of (-\$1.9M or -1.6%) compared to 2025
 - Demand for Public Parking is expected to continue being split in 2026
 - Drive-Up Transactions: 1.90M, decreasing (34K, ~1.8%) under 2025
 - Reserved Transactions: 93K, increasing 1K, 0.7% over 2025
 - Reserved Parking program launched in March 2024 on Floor 4 and has seen high utilization. Occupancy rate has averaged ~90% since its launch. Expansion to Floor 5 has been discussed but is not modeled in budget values.

Public Parking Transactions



- Public Parking transactions are expected to decrease by (-34K, -1.7%) under the 2025 Forecast
 - Reserved Parking transactions are expected to continue near capacity, given high occupancy rates (~90%) in 2025

2026 Rental Car Revenue

- Rental Car Revenue is expected to be \$69.5M, an increase of \$0.4M, 0.6% over 2025
 - Concession Revenue: \$40.2M, decreasing (-\$0.5M, -1.2%) over 2025
 - Average rental rates expected to stabilize in 2026; transactions growing with enplanements
 - CFC Operating Revenue: \$24.3M, increasing \$0.8M, 3.3% over 2025
 - CFC Rate increase planned from \$7.75 to \$8.00
 - \$15M in Capital Projects between 2026-2028: RCF Fire Suppression System, RCF Customer Service Building Re-Demising, RCF Boiler Skid Replacement

Rental Car CFC Rate Increase Summary

Rental Car <u>CFC Rate Change Summary</u>																		
	2006		2009		2012		2021		2022		2023		2024		2025		2026	
CFC Rate	\$	4.00	\$	5.00	\$	6.00	\$	6.50	\$	7.00	\$	7.25	\$	7.50	\$	7.75	\$	8.00
<i>Rate Change (\$)</i>			\$	1.00	\$	1.00	\$	0.50	\$	0.50	\$	0.25	\$	0.25	\$	0.25	\$	0.25
<i>Rate Change (%)</i>				25%		20%		8%		8%		4%		3%		3%		3%

Annual CFC rate increases implemented beginning in 2021, support rental car facility capital projects and growth in CFC-eligible operating expenses.

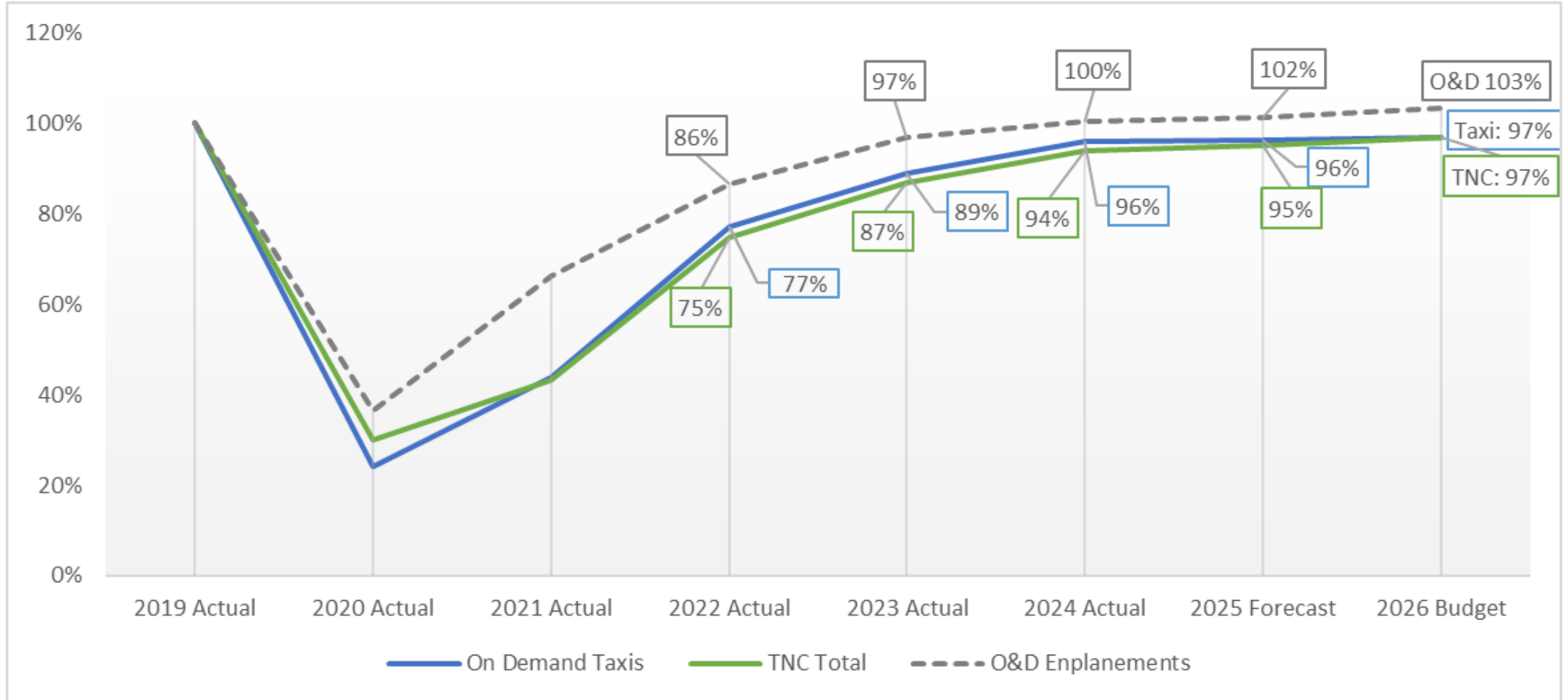
2026 Employee Parking Revenue

- Employee Parking Revenue is expected to be \$14.1M, an increase of \$1.9M, 15.3% over 2025.
 - Rate increase from \$100/ month to \$107/ month.
 - Accounts for \$913K of increase
 - Budget has MasterPark lots A&C opening in September 2026
 - Accounts for \$194K of increase
 - No revenue planned from MasterPark lot M in 2026

2026 Ground Transportation Revenue

- Ground Transportation Revenue is expected to be \$24.9M, an increase of \$0.3M, 1.3% over 2025
 - TNC: \$18.3M, increasing \$143K, 0.8% over 2025
 - Primary Driver of Revenue Increase: Slight increase in transactions
 - TNC Activity expected to slightly outpace Enplanement growth
 - Total Expected Trips: 4.7M, up 2.0% from 2025
 - On-Demand Taxi: \$3.6M, increasing \$14K, 0.4% over 2025
 - Total Expected Trips: 601K, up 0.4% from 2025

Ground Transportation – Trips & Metrics



- GT Compensatory trips continue to rebound; O&D Enplanements and TNC/Taxi trip growth converging

OTHER SUPPORTING INFORMATION



Environmental Remediation Liability (ERL) Expense

Environmental Remediation Liability (ERL) Expense <i>Org Basis (in 000's)</i>	2024 Actuals	2025 Budget	2025 Forecast	2026 Budget	Budget Change 2026 B v 2025 B	
					\$	%
North Main Terminal - Task Orders Combined	1,255	-	424	-	-	-
NMT Redevelopment (SEA Gateway)	1,255	-	424	-	-	-
IWTP Source Reduction Pilot (Airfield)	-	450	-	-	(450)	(100%)
Investigation & AFFF Support (Airfield)	-	400	-	-	(400)	(100%)
SeaTac Airport PFAS (Airfield)	-	-	609	600	600	-
Rental Car Facility QTA Fire Suppression	-	-	500	-	-	-
PFAS Remediation	-	850	1,109	600	(250)	(29%)
Widen Arrivals - Asbestos	60	-	-	-	-	-
Widen Arrivals - Contaminated Soils	1,042	-	(42)	-	-	-
Widen Arrivals	1,102	-	(42)	-	-	-
Country Squire Apartments	-	109	-	170	61	56%
Fairview Lenai Apartments	-	170	-	240	70	41%
Hi View Apartments	-	104	-	140	36	35%
Country Club Apartments	-	-	-	57	57	-
Des Moines Ridge Apartments	-	-	50	-	-	-
Noise Program Apartments	-	383	50	607	224	58%
Airfield Pavement 2021-2025	(220)	-	-	-	-	-
Airfield Pavement 2026-2030	-	-	-	450	450	-
Airfield Pavement	(220)	-	-	450	450	-
Baggage Optimization Phase 3	-	-	-	400	400	-
Deaerator and Condensate	-	-	-	210	210	-
Snow Storage Expansion	-	50	50	-	(50)	(100%)
Taxiway A Circuit Replacement	-	90	90	-	(90)	(100%)
Checkpoint 1 ERL	-	-	200	-	-	-
C Concourse Expansion	234	-	131	-	-	-
Airline Realignment	152	-	292	-	-	-
PIDS Infrastructure	-	100	100	-	(100)	(100%)
All other RMM expense	10,494	116	(6)	-	(116)	(100%)
Total ERL Expense	13,017	1,589	2,399	2,267	678	43%

Acronyms: A-J

AAAE	American Association of Airport Executives
AAHT	Allies Against Human Trafficking
AAG	Alaska Air Group
ACC	Airport Communications Center
ACDBE	Airport Concessions Disadvantaged Business Enterprise
ACI	Airports Council International
ADR	Airport Dining & Retail
ADF	Aviation Development Fund
AFFF	Aqueous Film Forming Foam
AIP	Airport Improvement Plan
AOA	Airport Operations Area
AOB	Airport Office Building
ARPA	ARPA American Rescue Plan Act
ASL	Automated Screening Lanes
B&O Tax	Business & Occupation Tax
BIM	Building Information Modeling
BRITE	LED in-pavement runway guard lights (for RWY16L/16R)
CA	Century Agenda
CAGR	Compound Annual Growth Rate
CBP	US Customs & Border Protection
CFC	Customer Facility Charge
CIP	Capital Improvement Program
CMP	Central Mechanical Plant
COE	Center of Expertise
COLA	Cost of Living Adjustment
CoST	City of SeaTac
CP	Commercial Paper
CPE	Cost Per Enplanement
CUSE	Common Use Systems Equipment

DBE	Disadvantaged Business Enterprise
DMCBP	Des Moines Creek Business Park
DS	Debt Service
EA	Environmental Assessment
EDD	Economic Development Division
EDP	Executive Director Priorities
ELT	Executive Leadership Team
ERL	Environmental Remediation Liability
EV	Electric Vehicle
FAA	Federal Aviation Administration
FIFA	Fédération Internationale de Football Association
FIDS	Flight Information Display System
FIS	Federal Inspection Services (US Customs)
FOD	Foreign Object Damage/Debris
FTE	Full-Time Equivalent (employee)
FWC26	FIFA World Cup 2026
GASB	Government Accounting Standards Board
GHG	Green House Gas
GIS	Geographic Information System
GMP	Guaranteed Maximum Price
GSE	Ground Service Equipment
GT	Ground Transportation
GTAP	Ground Transportation Access Plan
IAF	International Arrivals Facility
IATA	International Air Transport Association
ICT	Information and Communications Technology (Port Dept)
ILA	Interlocal Agreement
ITS	Intelligent Traffic System
IWS	Industrial Wastewater System

Acronyms: K-Z

KPIs	Key Performance Indicators
MAP	Million Annual Passengers
NEPA	National Environmental Policy Act
NMT	North Main Terminal Project
NPDES	National Pollutant Discharge Elimination System
NSAT	North Satellite
NTP	Near-Term Projects or Notice to Proceed
NOI	Net Operating Income
O&D	Origin & Destination
O&M	Operating & Maintenance
Part 139	FAA Airport Certification Status List
Part 150	FAA Regulation: Airport Noise Compatibility Planning
PDD	Pre-Design Definition
PETS	Passenger Experience Tracking Service
PFAS	Perfluoroalkyl and Polyfluoroalkyl Substances
PFC	Passenger Facility Charge
PFP	Pay for Performance
P&I	Principle & Interest
PIGs	Pretty Important Goals
PM	Project Manager
POS	Port of Seattle
POV	Privately Owned Vehicle
RFP	Request for Proposal
RMM	Regulated Materials Management
RPE	Revenue per Enplanement
RPIE	Revenue per International Enplanement

SAF	Sustainable Aviation Fuel
SAMP	Sustainable Airport Master Plan
SBITA	Subscription Based Information Technology Arrangements
SD	Service Directive
SEA	Seattle-Tacoma International Airport
SEPA	State Environmental Policy Act
SLOA	Signatory Lease & Operating Agreement
SMS	Surface Management System
SPU	Seattle Public Utilities
SSAT	South Satellite
STAC	Sea-Tac Airline Consortium
StART	Sea-Tac Telecommunications Architecture Review Team
STOC	SeaTac Office Center
STS	Satellite Transit System
SWOT	Strengths, Weaknesses, Opportunities, and Threats
TASCR	Tenant ADR Shell & Core Renovations
TIFIA	Transportation Infrastructure Finance and Innovation Act
TCO	Temporary Certificate of Occupancy
TMA	Transportation Management Association
TMF	Tenant Marketing Fund
TNC	Transportation Network Companies (e.g., Lyft, Uber)
TRA	Tenant Reimbursement Agreement
TSA	Transportation Security Administration (US Customs)
WIGs	Wildly Important Goals
WMBE	Women & Minority Business Enterprise
WIFIA	Water Infrastructure Finance and Innovation Act



CAPITAL DELIVERY CONTEXT AND THEMES

Steve Metruck, Executive Director

THE PORT FOR THE FUTURE IS



**EFFECTIVE &
EFFICIENT**



**A CATALYST
FOR GROWTH**



**HUB FOR
ZERO EMISSION
ECONOMY**



**BUILT TO BE
RESILIENT**



**SHARED VISION,
SHARED SUCCESS**

Why Capital Matters Today

- **Operational jobs**
 - 109,575 direct jobs across SEA Airport, cruise, commercial fishing, recreational marinas, tenants and other business
- **Construction jobs**
 - 1.6 million labor hours in 2024 (2,000 labor hours = 1 FTE)
 - Approximately 800 construction FTEs in 2024



Why Capital For Tomorrow

- New facilities sustain operations
- Expand economic activity
- Create construction jobs
- Foundation for future revenue



Affordability Factors



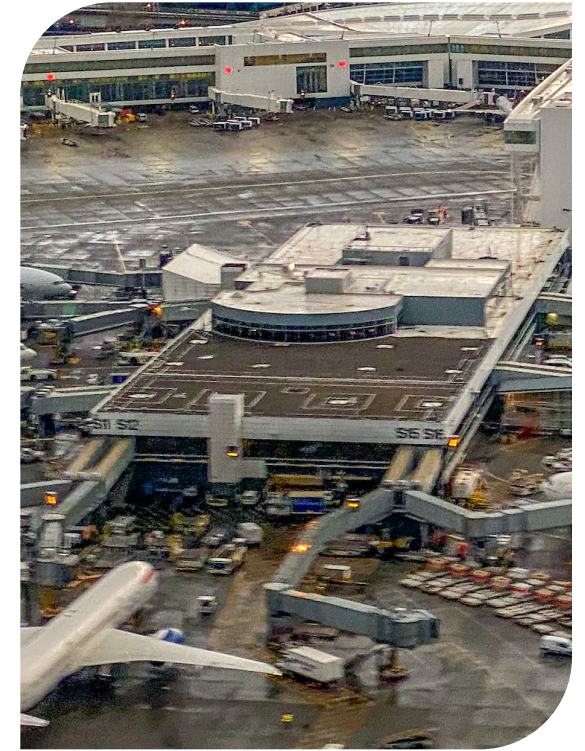
**Maintenance and
Asset
Management**



**Environmental
Remediation**

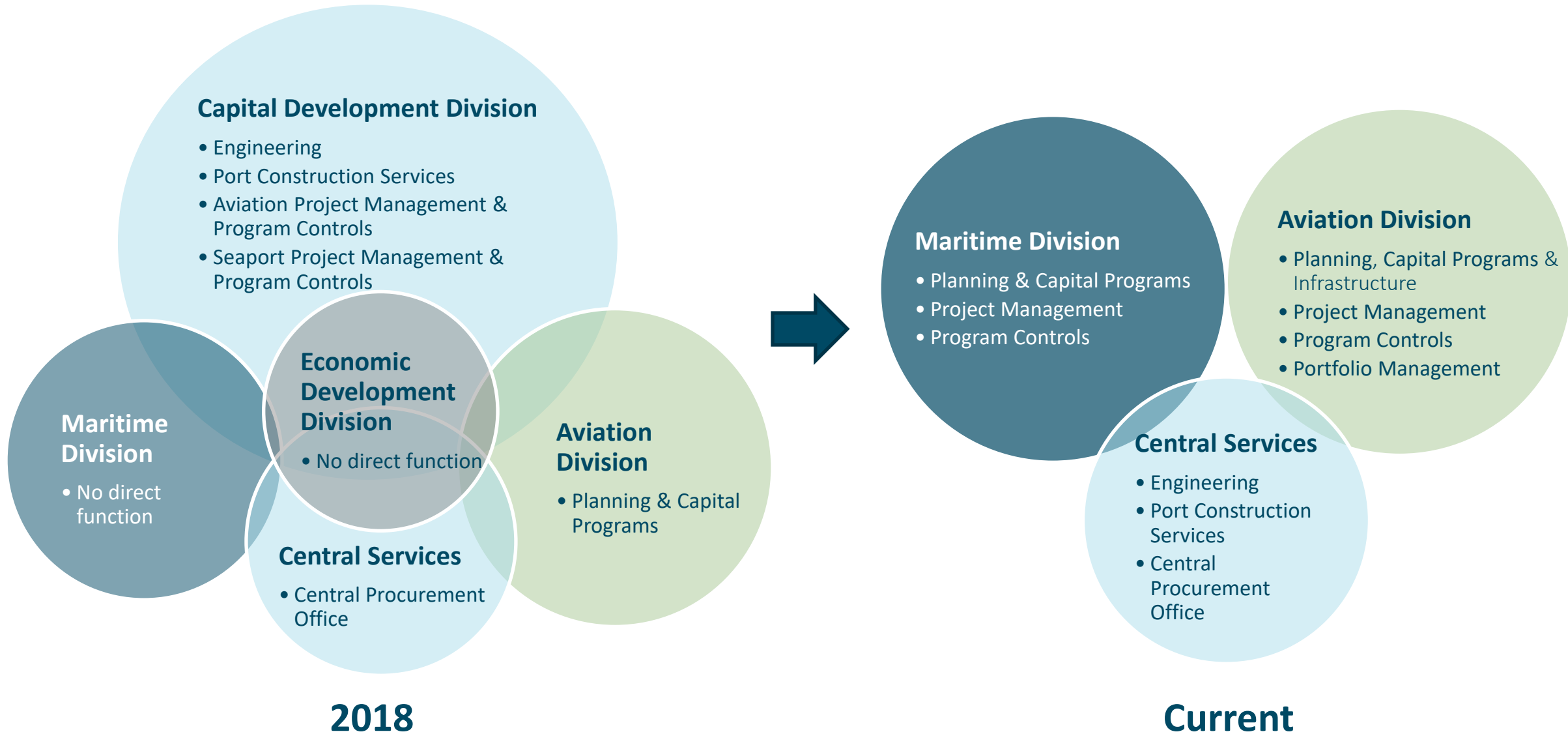


**Construction
Inflation &
Compliance Costs**



**Major Needs
Ahead**

Capital Delivery Improvements



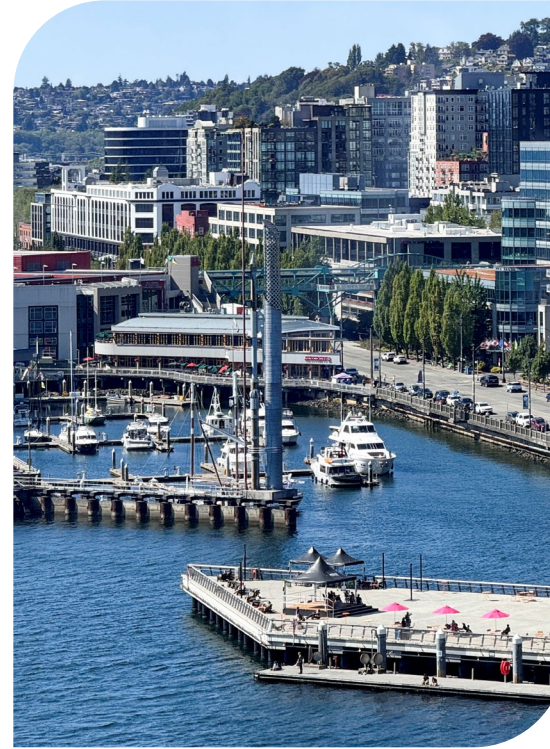
Capital Delivery Improvements



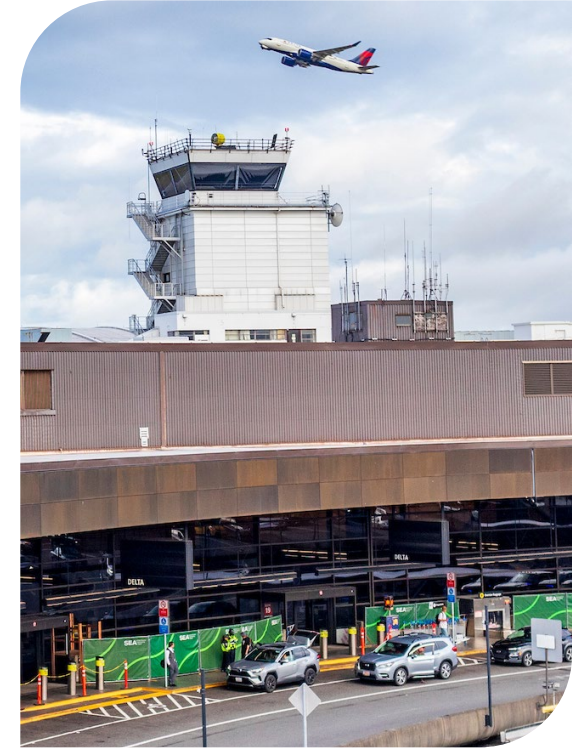
**Central
Procurement
Office (CPO)**



Engineering

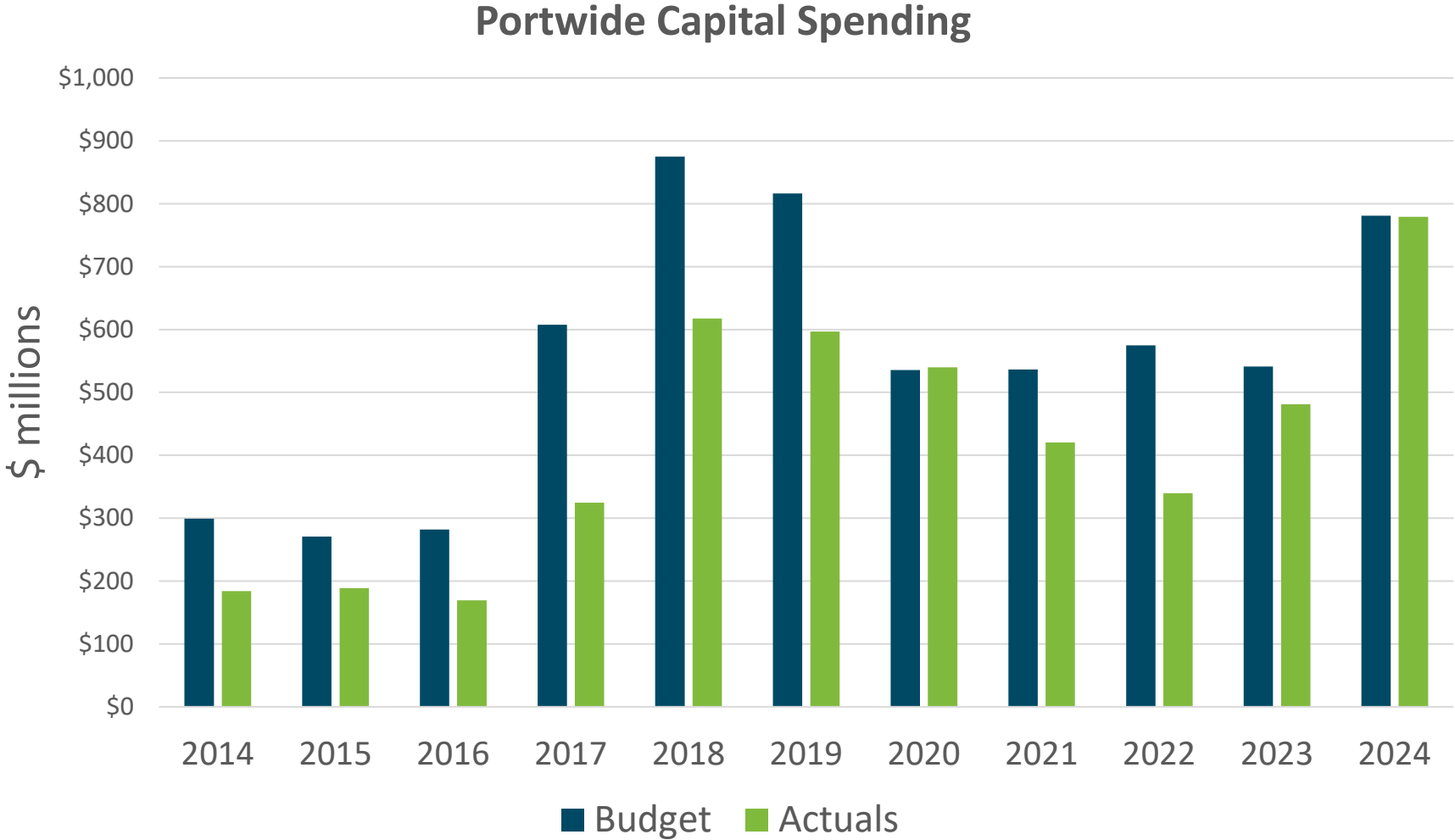


**Maritime External
Review Panel**



**Aviation Division
Governance
Review**

Improved Capital Execution



KPI Goal

80% execution rate
on CIP annual
baseline



Budget/Schedule for Maritime

	2023	2024	2025
Budget (Goal: 75%)	46 of 51 (90% on target)	39 of 45 (87% on Target)	YTD: 33 of 40 (83% On Target)
Schedule (Goal: 60%)	31 of 51 (61% on target)	29 of 45 (64% on target)	YTD: 18 of 40 (45% on target)

Budget/Schedule for Aviation

Current vs EAC	Goal: 75%
Budget	92 of 107 (88% on Target)
Schedule	43 of 107 (40% on target)

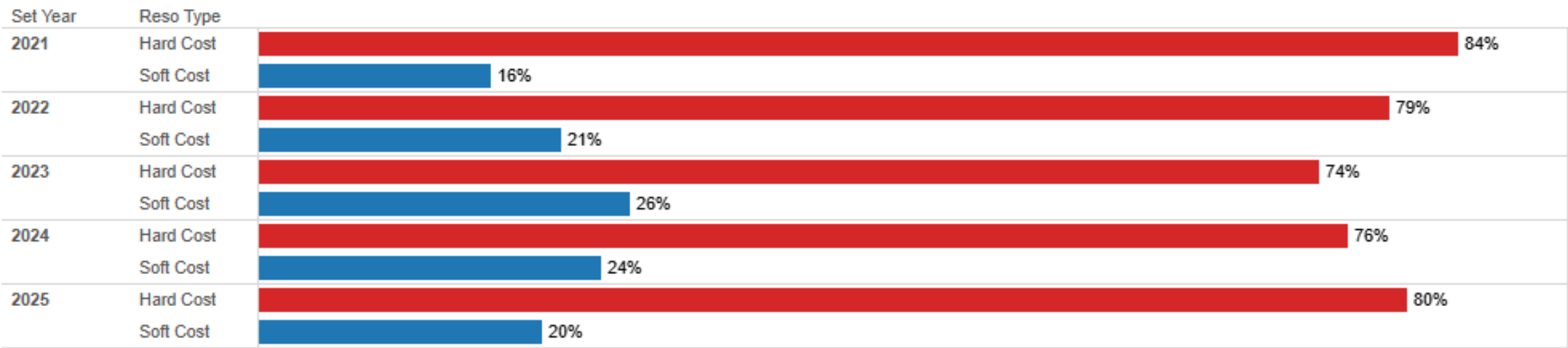
Annual Business Plan Goals	2023	2024	2025
Project Milestones (Goal: 75%)	34 of 38 (89% on target)	32 of 39 (82% on target)	YTD (thru Q2): 12 of 13 (92% on target)

Hard Costs vs. Soft Costs

Aviation	Estimate at Completion	Budget
Hard Costs	79.96%	80.28%
Soft Costs	20.04%	19.72%

Maritime

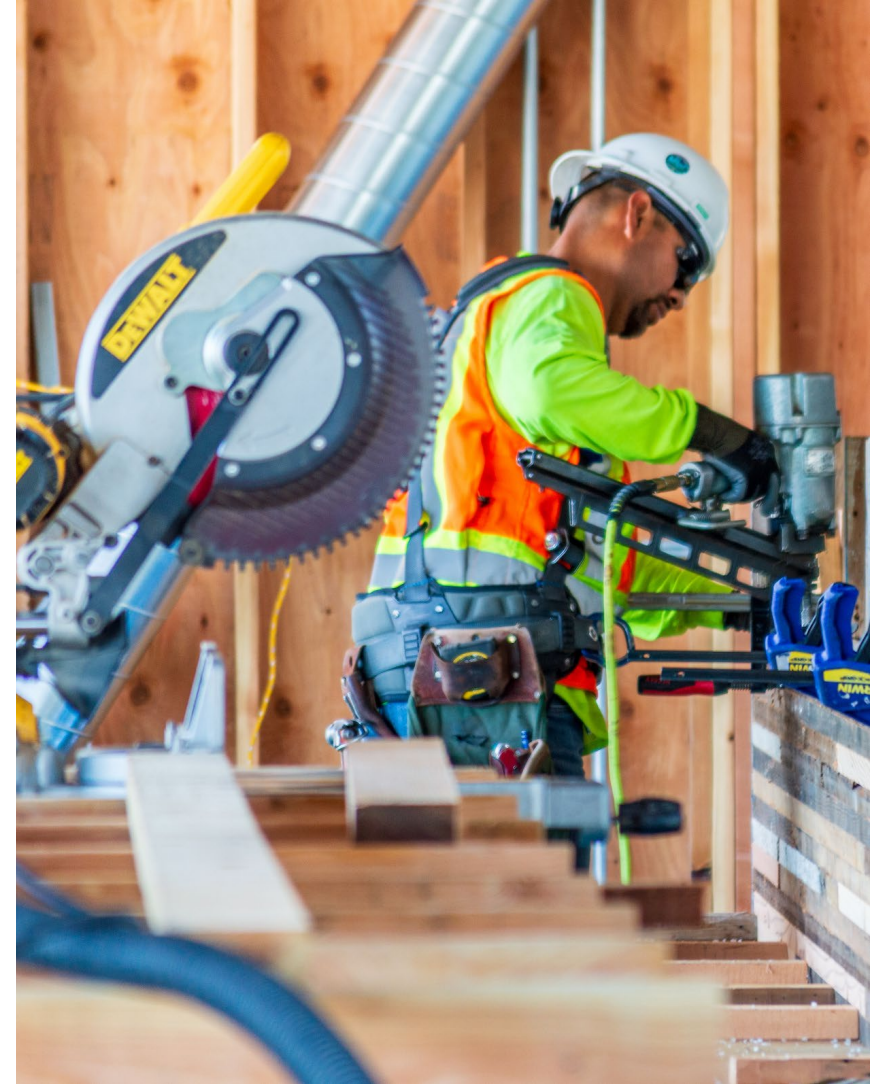
Hard Cost vs. Soft Cost

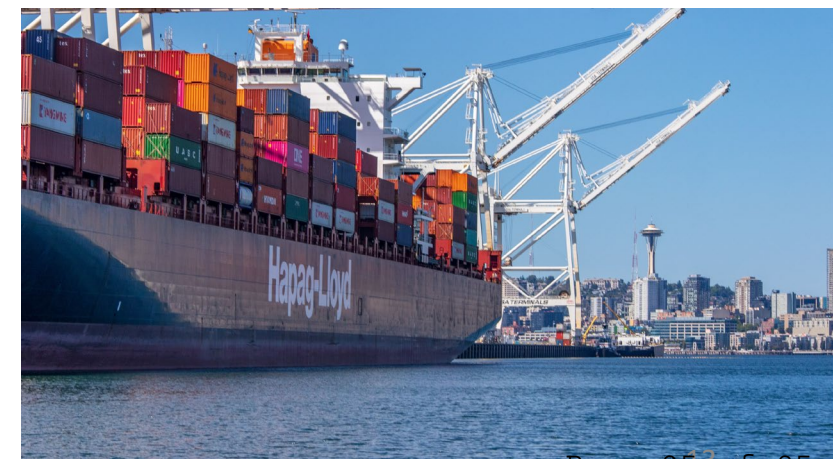


Entering a New Era

- Emphasize long-range planning and prioritization, including for revenue
- Alternative delivery methods and finance strategies
- Regional owners collaboration
- Integrating technology to improve efficiency

***Capital Improvement Program briefings
October 14 and October 28***





Next Steps

- Onboarding Chief Financial Officer and finalizing Aviation Managing Director roles
- Operations & Policy Review
- Capital Programs Vision
- 2026 Q1 Affordability retreat

