

- [00:00:29] This is Commission Secretary Sam Cho convening the regular meeting of September 22, 2026. The time is now 12:07pm we're meeting in person today at the SEA Conference center and virtually on Microsoft Teams. Commissioner Calkins and Felleman are absent and excused from attendance today. Commissioner Hazagh will be joining us online. Clerk Hart, please call the role of commissioners in attendance.
- [00:00:51] Thank you. Beginning with Commissioner Cho. Present. Thank you. Commissioner Hasegawa.
- [00:00:58] Present. Thank you. And Commissioner Mohamed. Present. Thank you.
- [00:01:01] We do have a quorum established. Excellent. A few housekeeping items before we begin. For everyone in the meeting room, please turn your cell phones to silent. For anyone participating on Microsoft Teams, please meet your speakers.
- [00:01:12] When not actively speaking or presenting, please keep your cameras off unless you are a commissioner or a member of the staff who's participating virtually and are 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 everyone at the dais, please turn off computer speakers and silence your devices. Please also remember to address your request to speak through the chair and wait to speak until you have been recognized. You'll turn your microphones on and off as needed.
- [00:01:42] All the items noted here will ensure a smoother meeting, so we thank you in advance. All votes today will be taken by the roll call method or by general consent, so it is clear for anyone participating virtually how votes are cast. Commissioners will say aye or nay when their name is called. We're 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.
- [00:02:16] Please now stand me for the Pledge of Allegiance.
- [00:02:23] I pledge allegiance to the flag of the United States of America and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.
- [00:02:40] Thank you. The first item, business today, is the approval of the agenda. As a reminder, if a Commissioner wishes to make a general comment for or against an item on the consent agenda is not necessary to pull the item from the consent agenda. Rather, a commissioner may offer general supporting or opposing comments later in this meeting. Once we get to that part of the agenda.
- [00:02:58] However, it is appropriate at this time, if a Commissioner wants to ask questions of staff or wishes to have a dialogue on a consent agenda item, to request the Item to be pulled for separate discussion.
- [00:03:13] Are there any items to be pulled from the consent agenda or any motions to rearrange the orders of the day?
- [00:03:21] C9 Commissioners, the question is now on the approval of the agenda. Is there a motion to approve the agenda as presented? So moved. Do I have a second? Thank you.
- [00:03:31] The motion has been made and seconded. Is there any objection to the approval of the agenda as

presented? Hearing none. The agenda is approved as presented. All right, next item.

- [00:03:46] We have a very special recognition and presentation today to begin our meeting. I'll turn it over to Executive Director Steve Metruck at this time to introduce our special order of the day. Item four, a life Savings award presentation and our speakers. Executive Metric, you have the floor. Thank you.
- [00:04:05] Thank you, Vice President Cho. Commissioners. Today I'm joined by Port of Seattle Fire Chief Randy Krause and interim Port of Seattle Police Chief Sean Gilbeau. I've asked him to join me today because we have the privilege of awarding the port's very first life saving award to a port employee who went above and beyond in coming to the aid of someone in distress. Here at SEA, the lifesaving award is a newly designated recognition opportunity to distinguish non first responder individuals who provide life saving actions on another's behalf.
- [00:04:38] Life saving actions could include CPR, rescue, breathing, deployment and use of an AED and other critical measures to save another's lives. I've asked Chief Krause and Interim Chief Guillaube to introduce our life saving award recipient and describe the actions to which the recipient is being honored today. So I'd like to welcome Chief Kraus and Interim Chief Gillebo and I'd also welcome like to welcome our award recipient Papalua Se Oli to join us with that. So with that I'll turn it over to Chief Kraus and Chief Gilbo. Thank you.
- [00:05:14] Executive Director Metruck and commissioners, it's an honor today to be able to present our actual first life saving award award. Something that we recognized that was missing from our recognition package. So it's a great honor to be here today. So I bring Papalua Seuli, who is a Port of Seattle security access specialist up here with me to we're going to be presenting him with a certificate today and to share with you, I'm going to share a few words. Chief Gillable, share a few words.
- [00:05:44] We're going to offer Papalua the opportunity to say a few words. Then we'll bring him out front to do the handoff of the certificate so that we can get appropriate pictures and then we'll ask commission and others to join us for pictures. So on Sunday, May 17, at approximately 0 to 40 or 342 hours in the morning, security access specialist Papalua Seuli responded to a family in distress near the restrooms in Gina Marie hall in TSA checkpoint one. The family's child was actually ill and appeared to be having trouble breathing. Emergency services were immediately contacted, but without hesitation, Papalua assisted the family and escorted them and their child to the drive area to await the arrival of first responders.
- [00:06:25] While waiting, the child's breathing appeared to worsen while on the phone with a 911 operator. Papalua quickly returned to the child and provided life saving measures following all instructions given by the 911 operator. First responders arrived shortly thereafter and the child was transported to the hospital for further medical care. Papalua, a proud grandfather of two granddaughters, acted instinctively out of genuine concern for the child's safety and well being. Though many would describe his actions as heroic, he humbly insists he was simply doing what anyone would do in that situation.
- [00:06:59] And in his own words, he just wanted to make sure the baby was okay.
- [00:07:14] So one of Papalo's peers nominated him for this life saving award and submitted these next few comments. This incident exemplifies the humble, compassionate and service oriented nature that Papalua brings to our team every day. I am proud to work alongside of him and honored to nominate him for this award. Papala, thank you for interviewing on this child's behalf and performing life saving measures. Congratulations.

[00:07:50] It's a team effort. Number one is a team effort. Anyone can do it. Thank God. It's great.

[00:07:59] Thank you.

[00:08:02] So I like that. Amanda, few words. One of the things just to add to one of the things that people don't know here, I mean, it is your actions and the actions of others, not the first responders, that have a significant impact. And so what you did that day, stepping out of your comfort zone, giving aid, was directly attributed to helping save that life. And you help us.

[00:08:25] You set us up for being successful that day and set up that child and that family for being successful. So it's also an honor to be sitting here with you today and recognizing you. So thank you.

[00:09:00] Oh, when you.

[00:09:11] Do this here? Yeah, yeah, Yeah.

[00:09:59] Oh, don't leave just yet, Papalua. We're not done with you. We wanted to say thank you.

[00:10:07] We're not done with you, man.

[00:10:11] I wanted to provide a few minutes for my colleagues to also pile on, so to speak. And maybe I'll just take personal privilege and kick us off and just thank you so much, Papalua, for your decisive action for leadership that you exhibited. I think when you work in a large organization like the Port of Seattle, where we have thousands of employees, it's really easy for us to get siloed into the jobs and duties that we have that day and not pay attention to what might be happening in our surroundings or go above and beyond what, you know, your job title, your daily duties are. But obviously you've exemplified the willingness to go further than what your job description asks of you. And so for that, we are tremendously grateful.

[00:11:04] I know that that family and that child is tremendously grateful. And quite frankly, I think it speaks to the type of culture that we are trying to build here at the Port of Seattle. Not just to provide aviation services or cruise services, but to be a public institution that really cares for the community. Right. And that doesn't just happen from the top down as commissioners, but as you've demonstrated, it also happens on the ground level from those who work day to day in our terminals.

[00:11:38] And I sincerely hope that through this award that you're setting an example for all of our colleagues here at the Port of Seattle that when duty calls, when there's a life saving measure that's necessary in a special circumstance, that our employees will all step up to make sure that we're taking care of our own. So I really appreciate you and I'm grateful for you for setting that example and you might be the inaugural recipient of, of this award. But I personally am very looking forward to seeing the folks who continue to step up at this institution to save lives. So thank you so much for being a trailblazer, so to speak, and setting the precedents here at the Port of Seattle. And I think all of us can learn something from you today.

[00:12:24] Thank you, Commissioner Muhammad. Thank you, Chair. I also want to second the words of my colleagues and say thank you, Papalua, for your act of service. I think there's no greater example of an act of service than showing up for somebody in a really difficult moment and a vulnerable moment. And so I also say thank you for your compassion, for your courage to act in that moment.

[00:12:56] As a mom of young kids today, there are moments where I have had examples or moments of freaking out about a child and not knowing if something is going wrong and always looking to the people around me for

help and support. And so I know that that family is going to carry what you've done for them probably all throughout their lives. They will be thinking of you. You are a man of few words today And I, I noticed that, you know, you said it's a team work and team effort, but I really appreciate the team that is spotlighting you today because it was your actions that made a difference in that moment. And so you deserve this spotlight and this honor.

[00:13:41] And so I say thank you so much for what you've done.

[00:13:49] Commissioner Hazagawa.

[00:13:54] Papalua, your words convey such a man of such humility. I want you to know not all people would have done what you did in that moment. And how glad I am that we have you and that you were there at the right time, at the right place and acting like with your character and with your instinct to save that baby's life. I know that those parents thank God every day for your presence and your action. And I for one, am so glad that we have you with us.

[00:14:35] You are a hero. I wish I was there to shake your hand and look you in the eye, sir. Thank you.

[00:14:44] Congratulations.

[00:14:48] All right, thank you again, Papalua, you're off the hook.

[00:14:59] All right, next on our agenda is the executive Director's report. Executive Director Metric, you have the floor. Thank you, Commissioner. Good afternoon, commissioners. What a great way to start the meeting today with the presentation of our initial life saving award.

[00:15:14] And there's nothing more important. As you have pointed out, there's nothing more important than these kind of actions that are enforcing the safety for both our employees and our visitors here at the airport. I also like to note that we celebrate these kind of actions at our quarterly, with the employees, at our quarterly safety and service awards as well. So it's this recognition, taking the time, your willingness to take the time to give recognition to our employees. Great work and to share the messages and importance of CPR and life saving.

[00:15:43] It travels much farther than this. So thank you for taking the time today. Commissioners. This week, Commissioner Calkins, Commissioner Felleman along with staff are participating in the second Port Powerhouse event at Climate Week in New York City. This is quickly becoming a flagship event to lift up what ports and maritime sectors are doing to advance climate positive action.

[00:16:04] Filling a gap at the international climate convenings. This year's event has the Port Authority of New York, NJ as a partner who will host the event at the World Trade Center Conference space in New York. Additional event partners are C40 and the United Nations Global Compact Ocean Stewardship Coalition. So I look forward to hearing the report back from our participants in those meetings this week in New York. Staying with federal topics.

[00:16:29] Last year, the port, along with several other jurisdictions filed a lawsuit in federal district court that successfully challenged Department of Transportation grant conditions imposed by the Trump administration. That decision was appealed and we recently received a favorable appeal decision from the Ninth Circuit Federal Court of Appeals. Last Monday, the Port of Seattle, with a group of local jurisdictions, filed a second lawsuit in District Court Federal District Court that will broaden the challenge to other federal

agencies beyond the Department of Transportation. This action seeks to protect already awarded and expected to be awarded, funds to for critical programs and services, including those that support criminal justice, law enforcement, disaster preparedness, emergency response, environmental health, economic development, workforce education and training, and more. We will keep you up to date and informed as this litigation progresses.

- [00:17:22] Moving to the airport last week, J.D. power released rankings that tell a genuinely encouraging story. Seattle Tacoma International Airport was named the most improved airport in the mega airport category, climbing to number 11 and almost breaking into the top 10. These rankings reflect real measurable gains in the area areas where travelers feel the most feel most important to them.
- [00:17:49] Terminal facilities led the improvement, followed by dining and retail, and there was one special standout SEA ranked number two in the nation for environmental performance. So a lot goes to credit to everyone. Kudos to everyone that contributed to the rise in all these rankings across the board. Also last week, the airport announced new airport dining and retail concepts that were selected in a competitive bidding process to refresh spaces and offerings at the airport. The requests for proposals were issued following Commission presentation and approval.
- [00:18:21] In April of 2025, the airport dining and retail team exceeded its goal of 25% small minority owned or ACDBE presentation representation with the selected concepts. In addition, 11 of the 17 spaces are required to have a labor peace agreement. The six remaining spaces are all small businesses that are minority owned or women owned. Congratulations to the new folks, especially those getting their first opportunity at the airport. And I want to acknowledge that many stakeholders are sharing their perspectives with us about how this program can best accomplish our many goals.
- [00:18:58] We really value that feedback and I appreciate Managing Aviation Managing Director Wendy Ryder listening to and working with stakeholders and the Commission to make sure that we're meeting the mark on the community engagement front. The Port continues to engage with the community on potential measures to mitigate noise under the new Part 150 measures. Some prior examples include the Late Night Noise program, sound insulation packages, single engine taxi and land use management. We are hosting community meetings for these discussions on October 17th, 19th and 20th. More information is available on our website.
- [00:19:38] In Maritime On Thursday, I will participate in a ribbon cutting at Terminal 91 Berth 6 and 8. This project brings Berths 6 and 8 back into service by building a new high capacity pier tailored to fishing vessels and industrial customers. The project includes uplands developments as well, with new offices for operations, fishing and industry customers. On the environmental side, the project brings shore power to industrial customers, removes 2200 creosote timber piles and improves stormwater treatment. We invested \$100 million into this project because Terminal 1 is an economic powerhouse for our region.
- [00:20:18] More than 90 businesses operate out of Terminal 91. It is a key facility for driving the economic activity that comes from commercial fishing, which our latest economic impact report shows drives \$1 billion in economic activity locally and supports more than 8,000 jobs. I look forward to celebrating this milestone with the project teams and our customers later this week. Fall is a busy time in our community. Last Thursday, September 17, the port sponsored the Good Business Network of Washington's Taste of the Sound.

- [00:20:49] Actually, we were more than a sponsor. We helped support and host the event at Fisherman's Terminal. This was a unique opportunity to bring more than 75 local food producers, farmers and of course fishers, Washington and native businesses to form connections with restaurants, buyers and residents. The event was a huge success and provided an opportunity to connect these businesses to other programs we support like the Greater Great Greater Seattle Export Accelerator. Saturday, September 19th the Port was pleased to sponsor the 2026 Seattle Salmon Homecoming.
- [00:21:22] We had Port staff at the event sharing information about Port related careers and sharing Port swag with everyone on Saturday. Upcoming Saturday, October 3rd, the port is honored to support the annual Fisherman's Fall Festival, an annual celebration of the return of the North Pacific fishing fleet to the Terminal and a fundraiser for the Fisherman's Memorial Foundation. You know, on a personal note, unfortunately I will not be able to make a guest appearance at the Pirate Bouncy House that I have this year, but I know it'll be well covered in my absence. We hope that you and members of the community can attend this free event which is truly a unique Seattle experience and a great outing for everyone. Finally, I want to recognize that annually from September 15th through October 5th 15th, our country observes National Hispanic and Latino Heritage Month.
- [00:22:12] Heritage Month is celebrated from mid September to mid October to highlight the independence of several countries. Also, Indigenous Peoples Day, Addia de la Raza in mid October falls within these 30 days. This year at the Port we are also celebrating the 10th anniversary of our Latinos Unidos Employee Resource Group. Here at the Port. Our employees were out celebrating at the South Park Patrias Festivus Parade last weekend, but at the same time we recognize a challenging moment.
- [00:22:43] There's a challenging moment going on for many of our Hispanic communities and our employees as well. I appreciate the incredible work our employees do to build and support community. Turning to today's agenda under unfinished business, we will request authorization to execute a contract for security services to support employee parking operations at the airport for new business. Staff will also request authorization to execute a lease and concession agreement for a credit card lounge on a concourse. We have two briefings for you today as well an update on our Green Marine International Environmental Certification Program.
- [00:23:20] The port was the first US west coast port to achieve green marine certification. And since 2013 we have progressively met environmental benchmarks that are above and beyond regulatory compliance. Finally, we begin budget season in earnest when we will brief you on the preliminary operating and capital budget for Central Services and provide a port wide budget roll up. We initiated some of these conversations at our last meeting when we briefed you on our 2026 second quarter financial performance. Thank you for sticking with us on the budget.
- [00:23:54] We only have about six more hours of budget briefings to go. So with that, Commissioners, this concludes my remarks. Thank you. Great. Thank you.
- [00:24:07] Yes, thank you. Chair, I just wanted to thank Executive Director Metruck for mentioning the ADR tenants who have received awards. I know a number of them have and I also just wanted to say congratulations to those who have been awarded. And I do know that there are a number of ADR tenants who have reached out to us and both Executive Director Metricin and I have been in conversation also with the Aviation Director. Wendy Ryder as well has been in conversation and has been, I know, meeting with folks and I

know that there have been requests that have come to me to meet with many of those tenants and I even suggested that Commissioner Cho maybe join those meetings.

[00:24:52] And so I think that will be arranged in the future. And, and so I just wanted to add that to your point that you made about the ADR tenants. Thank you for the time, Chair.

[00:25:02] Great. Thank you. Commissioner Muhammad. We are now at committee reports. Preston Tucker, Commissioner Strategic Aid will provide the report.

[00:25:13] Good afternoon again, I'm Preston Tucker, Commission Office Strategic Aid and I have the committee report. This past Tuesday, September 15, Commissioner Calkins and Felleman convened the SEAC Committee. The committee received an update on phase one of the SEF Terminal 91 project including the status of the overall project. The committee also received a briefing on the Ports Green Marine Certification. Additionally, Commissioners Mohammed and Felloman joined the port staff and public members of the Port's Public Art Board for a committee on the 15th as well.

[00:25:47] The committee discussed ongoing public art projects and the arts team capacity to oversee the maintenance of of an existing artwork and the development of new projects at both the seaport and airport. Members also discussed revising the board's internal governance guidelines and filling the ninth vacant position on the board. And lastly, the board agreed to elect a new member by proxy vote via email before its next scheduled quarterly meeting. All board members may submit nominations for the vacant position by October 1st. And that is today's committee report.

[00:26:21] Thank you. Thank you, Preston. Are there any follow up questions regarding the report? All right. Seeing none, we'll now continue on our agenda to the public comment portion of our meeting.

[00:26:33] The Port Commission welcomes public comment as an important part of the public process. Comments are received and considered by the commission in its deliberations. Before we take public comment Clerk Hart, please display the QR code to our public comment Rules of procedure for members of the public providing public testimony, it is essential that these rules are followed. Copies of these rules are available at the door. We have what looks like 19 people signed up to provide public comment.

[00:27:02] Usually it's two minutes and I was advised that given the long list that we truncated to one minute each. But I've taken the chair's prerogative not to do that. So I think folks deserve their full two minutes. They've taken the time to be here and we appreciate that. So we're going to give everyone two minutes and we will call the first speaker, Brian Davis.

[00:27:29] Okay, Commissioners, Admiral, Metric. Good to see everybody. I'm red or green on this, Michelle? Green. And then go ahead and repeat your name for the record and your topic and then I'll start the timer.

[00:27:43] Good afternoon. Brian Davis from the Bureau and Airport Committee. I'm commenting on the SEPA review of the airport expansion plan for which public comment is now closed. Every one of the cities that physically border this campus, Burien, Des Moines, SEA TAC and Tuquila, have filed official comments objecting to the Port's proposal. Not all emphasized to the growth it would allow, but to the additional unmitigated damage that growth will cause to our communities.

[00:28:08] This agency likes to portray itself as a good steward of the environment and of the communities that surround Seattle Tacoma International Airport. With all due respect, that claim simply does not stand here.

If you read the joint response from Burien, Des Moines and SeaTac, and I hope you'll take the time to do so rather than rely solely on staff summary and interpretation, you'll see that one of our major objections has to do with the cursory examination given to environmental and Economic justice. The City of Tukwila points out that ours are historically marginalized and low income communities. Yet as the Department of Ecology notes in its criticism, the port's evaluation of socioeconomic Factors devotes roughly three pages to environmental justice and children's health against approximately 135 pages of economic development content.

- [00:28:57] Ecology calls that treatment, in its words, a treatment too thin to support the deis conclusions of minimal impact. Especially striking to me is the comment from the Highline School District quoting here. Across South King county and in Highline, families already face some of the greatest gaps in health and life expectancy and those burdens fall hardest on communities of color and lower income families. Farther on. This investment in the airport should be matched by investment in the schools, cities and communities that carry its impact.
- [00:29:30] Regional growth, the school board concludes, should bring regional benefits. It should not shift a greater share of the cost onto the communities already bearing them, which as it now stands, is exactly what this multi billion dollar expansion plan will do while it returns nickels and dimes to the thousands of people who will be made worse off. I hope this commission will listen not only to, but take meaningful action to address the chorus that is raising its collective voice outside of this building. And I thank you very much and I appreciate the time. Commissioner thank you, Brian.
- [00:30:00] Cheers. Appreciate you. Next speaker is Eddie Rye. Mr. Eddie Rye, Eddie R Jr and I'm here making an appeal on behalf of the owners, the two Desert Storm owners, veterans, army veterans that own the Africa Lounge and about I think by the end of the month, 38 people will lose their jobs in an unemployment line. And I'm here asking the Port of Seattle to extend their time in the airport to allow them to build out a space comparable to that of the Africa Lounge.
- [00:30:41] They've been offered two additional spaces, but they don't come close to being the size of the Africa Lounge. So I'm saying is that it would be really convenient for these workers and their families if the contract could be extended until they build out a new facility comparable to the size of the current Africa Lounge. That is my request to the commission and to the staff. 38 people with families will lose their jobs. There will be an unemployment line.
- [00:31:09] They have all kind of responsibilities. And I'm sure that the poor can work something out because they're being replaced by the Hudson Group, which is a conglomerate. There needs to be we talk about the minority and the DBE program and this is one thing that could really help 38 families and the owners of the Africa Lounge if they could be extended so they could build out a facility comparable to the Africa Lounge. The two facilities they've been offered don't come close. 60% of their revenue comes from the Africa Lounge.
- [00:31:43] So I'm asking appealing to you to please consider extending the lease for the Africa Lounge until they could build a new facility. Thank you very much. It's a good way to treat our veterans. We talk about what the sacrifices our veterans make all the time. Let's now do something good for the veterans that have served our country.

[00:32:02] Thank you very much. Thank you, Mr. Rai. Our next speaker is Mohammed Adan.

[00:32:19] Muhammad. Please go ahead and repeat your name for the record and your topic and then I'll start the timer. My name is Mahamud Aden and I am representing drivers union and Timsas Local 117. Thank you. Please.

[00:32:39] Stop. I'm on the topic of prayer area at 160th lot at the airport.

[00:32:48] Rideshare drivers, Uber and Lyft and taxi drivers at 160th lot is a critical component of ground transportation network of the airport. And the drivers have been facing a challenge in that area because significant number of the drivers attending to work every day, they are of Muslim faith and they are obligated to pray five daily prayers every single day. And most of the time drivers at the lot, at least one or two prayer occurs during the time when the driver is in the waiting lot waiting to provide service. And most of the time what happens is because of lack of covered proper praying area at the lot, drivers will have to leave their queue to go to a nearby mosque to perform their prayers, only to come back and start their queue again all over, which is really a significant loss to the driver. And drivers should not be choosing between their faith to attend to their Lord or to remain in the lot to provide for their families is a really very harsh, difficult reality that they are going through every single day.

[00:34:09] We know that the port has been exploring to permanent structure at the lot where the drivers can pray. But while that is pending, we are requesting that a temporary tent be funded by the port to help the drivers pray during the rainy season for the six months that is coming. And then also ensure that the permanent structure is committed by the commission. And thank you. Thank you, Mohamed.

[00:34:40] Our next public speaker is. Oh, man. Direy Halane. Yes, please. My name is Diriya Kharani.

[00:34:49] I. I requested interpreter Mahmoud because my English is not good.

[00:35:01] Okay. So yeah, so basically what he's saying, that he want to speak in Somali language and I will be interpreting for him. Certainly. Yes, please.

[00:35:12] And Left right, share and problem.

[00:35:41] And.

[00:36:06] Support of Seattle police and fire department.

[00:36:33] So this is Tiriya Halane. He is a TNC driver, Uber and Lyft driver at the 160 lot that he comes there. And he's narrating a story of an incident that took place recently at the airport whereby they were praying in one of the evening prayer in congregation about 30 to 40 drivers and an individual that they could not see came to spray and something that caused their irritation their eyes. And they had to called the emergency lines to be taken to the hospital. And he's one of the people that visited the hospital to be treated because of that incident.

[00:37:10] And so he's very much concerned about the safety of praying in an open area where he's exposed all the time. And because of that incident, he is requesting that a covered proper safe place to pray be structured at the airport.

[00:38:07] He's emphasizing on the fact that the safety is very important for them while waiting to provide service to the riders every single day when they come. And he is saying that they are now feared for their lives and at

the same time they want to remain in the lot to provide the service and is requesting again and emphasizing that the port should consider their request to have a permanent safe covered area for their prayer and breast area. Great. Thank you. Thank you, Mr. Halani.

[00:38:43] Our next public speaker is Abdi Rahman Awed. Yes. Hello.

[00:38:58] Is it Greens? Yes. My name is Abdul Rahman Awad. I have. I would like to speak today about the 160 lot.

[00:39:09] And I am. I am representative more than 40,000 drivers who work in as a transportation at the airport. And we have one issue today we're talking about about the prayer and mosque. And as a commissioner we request on the staff. Many years we pray outside sunny and raining.

[00:39:36] Now we don't have a place to pray. Still we pray outside and we work in at the airport.

[00:39:44] We have a big problem. The problem we have to face the rainy season and summertime. The weather is hot and rainy season. Now we. We have.

[00:40:01] We. We are looking permanent solution. Before we get the permanent solution, we need a temporary tender for six months before we get the solution. Many years we request Port of Seattle and today we are speaking as a face to face. Please and please we need a help.

[00:40:25] We are hard workers. Sometimes we are waiting two hours to get the upstairs. Sometimes the prayer time they come in while you are the line. We have a two phase face our world belief and face us. We are workers and sometimes it's the opposite way.

[00:40:45] We request again to get as soon as possible for temporary tender until we get permanent solution. Prayer time. Thank you very much. Thank you. Thank you.

[00:41:01] Thank you. Our next public speaker is Chris Peel.

[00:41:17] All right. It was all the way back there. No worries.

[00:41:24] My name is Chris Peeler. ILW Local 19, Labor Relations call. Speaking on American Cruise Lines.

[00:41:33] Good morning or good afternoon. Sorry. I promise not to ask too many questions this time. Maybe just one or two. But as of right now, the ports of Ever, Anacortes and Vancouver have all denied American Cruise Line's request to do business in their ports and have backed their workers, the ilwu.

[00:41:52] The Port of Seattle should stand with those ports and deny ACL access at Shoalsville Bay Marina in the ACL Port of Seattle agreement that was negotiated in one day, for the record, allows ACL to tie up at Shieldsville Bay Marina under the same processes that any regular boat owner who isn't doing business for profit. As a boat owner myself, with a much cooler vessel than the American Spirit, I pay the same \$3.58 a foot. ACL is required also to pay a charter fee of a whopping \$994. So for less than \$2,000, they're doing business in the Port of Seattle. ACL continually uses unsafe working practices.

[00:42:39] Workers are required to jump from the vessel to the dock to tie up the vessel, tossing provisions from the dock to the ship and taking upwards of 45 minutes to dock while the Coast Guard is watching. ACL also violates the rules of the marina. Posted rules by mooring in the wrong direction and by running their generator all night. Those are posted rules by the Port of Seattle. For the record, the commission, port staff and the community at large.

- [00:43:08] Expect more from the companies that call the Port of Seattle. Local 19 asks the Port of Seattle stands with the other ports in Washington and refuse ACL a place to do business.
- [00:43:20] For those of you on the council that showed up for our informational picket gathering, thank you. And also thank you to the SEIU for showing up. ILW backs you. Thank you very much. Thanks, Chris.
- [00:43:36] All right, I'll call up Hayward Evans next. The last couple are. I'm really late for another engagement. Good afternoon, commissioners and the executive director. You do an absolutely fantastic job.
- [00:43:52] Very pleased with you. I'm glad that you're here at the City of Seattle. My name is Hayward M. Evans and I serve as the president of the Seattle King county naacp, the biggest, boldest, baddest and oldest civil rights organization in the nation. I'm here today in support of the Africa Lounge and Ask The Port of Seattle to find a solution that allows this long time black owned business to continue operating at Seattle Tacoma International Airport. Africa Lounge is more than another airport restaurant.
- [00:44:32] For more than two decades, owners Jerry Whitsett and Ron o' Neill have built a business that provides employment, represents African and African American culture and contributes something distinct to the experience of travelers coming through our airport. The port itself is celebrated African Lounge as a black owned small business and highlighted its African inspired menu and cultural identity. We understand that SEATAC must grow and that the port has plans to expand duty free retail. Economic development is important. But economic development should not mean that a successful local minority owned business must disappear in order for a much larger development group to move in.
- [00:45:29] There's room, in my opinion, for both.
- [00:45:39] The port's own records. The Port's own records recognized that if Africa Lounge space was reclaimed before the end of its agreement, replacement space was to be provided at least to the extent that you had before. After 20 years, come on, expand them 20 successful years. So today I respectfully ask the commissioners and the port leadership to work directly with the owners and identify a fair and viable location where African Lounge can continue doing business.
- [00:46:16] This is about more than one restaurant. It's about whether small, local, black owned and veteran owned businesses that invest, create jobs and help build the character of our airport will continue to have meaningful opportunities at the airport to grow. Thank you, Harry. Appreciate your comments. Almost done.
- [00:46:38] Thank you. The Sewa King County NAACP believes in economic opportunity must include businesses that have historically had equal access for all. Thank you, thank you and thank all y' all and support the round.
- [00:46:55] All right, so it seems that the remaining public commenters are here from the same organization. So I'm going to call you up three at a time, right? Just to make this quicker. If the three that I call come up to the table and each of you all could just speak in succession so I don't need to call you out again. Does that make sense?
- [00:47:15] So I'm going to call up Nancy Kibosha. Ebosha. Sorry, it's hard for me to tell what. Bruce Batul, Osman Mohammed, if the three of you can please come up. And.
- [00:47:34] Please don't forget to state your name and the issue you're here to speak about. And you guys can start whenever, right after each other. Let's start with Nancy and we'll just move to the right.

- [00:47:55] Good afternoon, everyone. Hello. My name is Nancy Kibocha. I have been a cabin cleaner here at the SEATAC airport in eight years. In two weeks, it will be eight years since Sid Tuck airport workers first start the port of establishment of policy that gives us workers quality accessible health care what what a disappointing and shameful adversary to highest of October in the span airport workers have shared our personal stories of our needs for affordable health care we have jumped through the hopes and everyone changing bars but put the port the commissioners and port staff we want we waited patiently for the students to complete with the results saying what we have been telling you for years in eight years we have watched the pot steadily embrace authorization practices trump like crackdowns on the first amendment rights protecting.
- [00:49:26] Millions dollars corporations overworking people and turning the port of Seattle into a union busting tools of bosses the public can see it what we have is not seen in Seattle Tacoma International Airport not because a world class airport because SEA Tac remains the last major west coast airport to not earn health care for its workers Many airports work 23 jobs to make it through the month of just the next week we have families our communities to support we have children to take care of you your since silence is defending and all SEIU 6 airport workers that signed up for today's meeting want you to sit with the discomfort of your intention. Thank you Nancy.
- [00:50:45] Bruce, are you.
- [00:50:53] And I'll start the timer.
- [00:51:07] It's in there.
- [00:52:59] Thank you, osman.
- [00:53:04] Point of order. Can you please ensure the panelists and the speaker have their microphone turned on?
- [00:53:13] Commissioner, how's it going? Yeah, go ahead. And I'd like to request that the transcription of that last testimony be sent to me. Thank you Commissioner Hazagar. Just for your awareness, they are actually choosing not to speak for the two minutes.
- [00:53:31] Oh, thank you. Yeah. Can she not see what's going on?
- [00:53:38] SCC TV or cameras pointed at the speakers?
- [00:53:52] I think we are Go ahead. Yeah, we are. Sorry, when I have the timer up, I have a limited view on my own computer.
- [00:54:05] I'm not running it either.
- [00:56:17] Our next speakers are hayat hassan shalaku sharif. Maria rivera monroy.
- [00:56:38] Mr. Commission Press. I'm sorry, Secretary Cho. I told you I would do it as well. May I just suggest that if we have other silent speakers, maybe perhaps they all come up at the same time and they can stand behind the speakers or we can take them individually. Point of I think first and foremost I want to acknowledge what our speakers are doing today.
- [00:57:08] I think choosing not to speak is also speech and so I want to respect what the individuals here are trying to do.

- [00:57:22] But given that I'm getting a sense that everyone is likely going to do the same thing, I'd like to offer a compromise. I want you all to have your time, but I would like to reduce the comment time to one minute each. And so you all are welcome to. And of course, if you do have something to say, we will give you two minutes. But if this is your form of public comment, then I'm inclined to reduce it to one minute so that each of you get your time as well.
- [00:57:54] So we'll go ahead and start with Hayat. And you want the one minute timer? Yes, please. Thank you.
- [00:59:16] Thank you. Hayat shalaku sharif.
- [00:59:42] It.
- [01:00:26] Thank you. Next is maria rivera monroy.
- [01:01:36] Thank you. Our next three speakers are Cece Hooks, Nihal Mohamed and Anthony Simpson.
- [01:01:54] And I'll start the timer. All right.
- [01:02:15] It's.
- [01:03:00] Thank you. Next is nihal muhammad.
- [01:04:09] Thank you. Our next speaker is Anthony Simpson.
- [01:05:17] Thank you. Our next speakers are muna aidad kwame. Sorry, I can't read this. Last name. Afandina.
- [01:05:25] Maybe kwame. And kakid man. Kokidan mulat.
- [01:05:49] Okay, Moon Eye dad, you have your floor and I'll start the timer. Can I please request my two minute? It is my first Amendment right, so I want two minutes.
- [01:06:09] I think I need to give you the same time I gave all your other colleagues. So we're going to stick to one minute. Mr. Commission Secretary, I just want to make sure that it is known that in the Commission rules, bylaws and rules of procedure that the time set for public comment is at the discretion of the chair. I understand. We're going to stick to one minute.
- [01:06:26] Okay. Thank you. And I'll start the timer.
- [01:07:34] Thank you. Our next speaker is Kwame.
- [01:08:43] Thank you. And our final speaker is Kalkidan Mulat.
- [01:09:06] It.
- [01:09:53] Thank you, guys.
- [01:09:56] Okay, that concludes our signups today. Is there anyone else present on the team's call or in the room today who didn't sign up, who wishes to address the Commission? If so, please state and spell your name for the record and the agenda. Item or topic related to conduct. Report finished.
- [01:10:11] You wish to speak about for the record.
- [01:10:15] Seeing none at this time. I'll ask the clerk to please give a synopsis of any written comments received. Thank you, Mr. Commission Secretary. We have received no written comments for today's meeting.

- [01:10:28] Great. Thank you, Clerk Hart. Hearing no further testimony, we'll move on in the agenda. Our next order of business is the Consent Agenda. Items on the Consent Agenda are considered routine and will be adopted by one motion.
- [01:10:38] Items removed from the Consent Agenda will be considered separately immediately after adoption of the remaining Consent Agenda items. Is there a motion to Approve the consent agenda covering items 8A through 8C. So moved.
- [01:10:53] Do I have a second?
- [01:10:56] Second. Thank you very much. Commissioners. Please say aye or nay when your name is called for approval of the consent agenda, beginning with Commissioner Hasegawa. Aye.
- [01:11:07] Thank you, Commissioner Muhammad. Aye. Thank you, Commissioner Cho. Aye. Thank you.
- [01:11:12] Three ayes, zero nays for this item. Great. The motion passes. Moving on in the agenda, we have one unfinished business item today. The item was postponed from September 9.
- [01:11:21] Meeting on the main motion is already. But the main motion is already on the floor. Kirk Hart, please read the item into the record. Executive Director Metruck will then introduce it. Thank you.
- [01:11:29] This is Agenda Item 9A. Authorization for the Executive Director to execute a contract for security services to support employee parking operations at the north employee parking lot and three new leased parking lots known as lots A, C and M for a total estimated cost of \$6,200,000 over five years. And request for \$700,000 to fund and maintain existing security coverage for the duration of the request for proposal process and through the contract's final extension, October 2027 for a total authorization request of \$6,900,000. Thank you, commissioners. This item preserves safe and reliable access to our employee parking facilities by securing long term guard services across the north employee parking lot and the newly leased lots along International Boulevard, which together provide more than 5,500 parking spaces supporting over 18,000 airport workers.
- [01:12:23] As the employee parking operation expands, a consistent security presence remains essential for safety, access control and customer assistance at these high use facilities. The port has contracted this work since 2017 and we're looking to expand this work to new locations. So the presenter this afternoon is Peter Lindsay, Assistant Director, Airport Operations Business Unit, Landsat Operations. Peter. Thank you, Executive Director Metric.
- [01:12:51] Good afternoon, Commissioners. Peter Lindsey. We do have a brief presentation today to go through this request seeking authorization. As Executive Metruck pointed out, \$6.9 million to extend existing contract and also to procure new services for for expanded tenant parking lots at sea. We can go to the next slide.
- [01:13:13] So, to set the table, we have for many years at the airport provided tenant employee parking services. This is just parking for airline and tenants and ADR employees who work at the airport. My group provides the busing and all of the services necessary to operate those tenant parking lots. And recently we've expanded those options. So as you see there, lots A, C and M. And as the commission may recall, those are expanded lots that are here to meet the demand of increasing employment here at the airport.
- [01:13:52] They were put into operation earlier this year in April and We continue to see a lot of growth in the need and demand for tenant employee parking. As part of that, we have guard services. In order to provide a

secure site and operation, we want to make sure that we have somebody on site with eyes and ears on the facilities and also to provide customer service for anyone who needs to enter our facilities. That includes all the lots above and Nepal as well. So.

[01:14:30] So this is just a regular security guard presence. They're there in a booth. Typically we have a building at lot C, roving guards at lot M and A. And then Nepal also has a booth as well for the guard. So.

[01:14:44] Next slide, please.

[01:14:48] This map gives you a sense of the campus really for us, which is spread and distributed throughout International Boulevard and north into Riverton Heights of South ctac. You'll see lots A, C and M there along International Boulevard. Those are the new lots for us. And this request would extend those services into that lot. We've extended the initial contract that we have for Nepal to provide kind of a bridge.

[01:15:13] But we do need to procure some new services. Lots of AC&C are in operation now for employee parking. Lot M is there for future growth. Next slide, please. So here's the action requested total authorization is 6.9 million.

[01:15:33] The bulk of that is for the new contract, which is duration of 5 years.

[01:15:39] Next slide, please. A proposed schedule, not always definitive. It always depends on who proposes and the ultimate value of the contracts. But a sense of the spending from a year to year basis. A little over \$1 million a year growing with some usual sort of CPI allotments in there.

[01:16:00] Just anticipating some growth in cost during the contract.

[01:16:05] Next slide, please. And that completes my presentation. Excellent. Thank you. Any questions from commissioners?

[01:16:13] We will start with the room. Commissioner Muhammad. Thank you, Peter, for the presentation and the information you've shared.

[01:16:25] I delayed this item during the last commission meeting, the September 9th meeting, and I believe I received, or maybe the commissioners have received some communication from the aviation chief of staff about this item in particular and appreciated receiving that information. I assume you probably seen it or maybe drafted it.

[01:16:49] What I wanted to follow up on is has there been any communication with members of the union who have raised concerns around this contract? I haven't made any overtures. I know that we did have a discussion internally with. With labor relations executive McKel O'. Brien, but we haven't had any additional communications from the union beyond the initial question, which looked at is there a comparison really between the security screening work that happens here at the main terminal and on the perimeter of the airfield?

[01:17:34] And these, these jobs here at the employee parking lots, really fundamentally different work. The regulated security screeners here at the airport, they provide a very specific kind of screening for employees and for actually really all the activity that enters the airfield. This is a security area, specific training, specific processes that they go through, which is just fundamentally different than the off site lots that we provide. Security as a customer service and access control. That's helpful.

- [01:18:15] So if the. There was a couple of options that you all provided in the memo that came to us on September 9th. So if I think option two was the one that would allow for this to be managed and operated internally by the Port of Seattle, if that option were to be selected, who would perform that job? The job, provide the services? Yeah, that would be unclear right now.
- [01:18:40] Landsat operations would be the ones who would take that on. That's currently our scope of work, our contractor. So we continue to provide that. That's a new scope for us. And we would look at, you know, how we would formulate an employee group around it and potentially, you know, the overhead and the infrastructure necessary to support that level of new employment.
- [01:19:07] As it's not currently something that we do, it's something we contract out. If the commissioners, if I wanted more information about that scope, how long could something like that information be provided to. Commissioner Happy to answer any questions today. I mean, the scope in terms of the work itself is really about having 365 day coverage in the booth and the staff to support that and supervision to support that activity as well. We do have, because of the nature of the campus, the dynamic nature, we have to have some roving guards now for lots A and lot C. So that's a little bit new for us and we have to investigate what that would mean.
- [01:19:50] We think we have a good model though, with kind of the current operation as we started up in April, as I indicated.
- [01:20:00] So we would want to take that on and we evaluate it, produce a staffing plan. That's how we would typically approach that question. Okay, that would be helpful for me. I don't have any questions as far as the presentation that you provided. It was straightforward and very helpful.
- [01:20:16] I would want to understand some of that additional scope that would be included and what it would take to do this in house. And also an opportunity, I guess this is for my colleagues, an opportunity for us to have some time to hear from the members who've elevated concerns around this contract before it gets approved. And so that would be my recommendation today. Okay. Commissioner Hazagawa, Commissioner Chao, in light of My colleague's remarks.
- [01:20:50] I move to postpone to a date certain.
- [01:20:56] And as a matter of procedure, we already have an existing motion on the floor, which is why this is before us and unfinished motion business. Yes. What is that date? Yeah, I was. That was going to be my next question.
- [01:21:09] Commissioner Muhammad, do you have. I'm pulling up a calendar now to see the next. It looks like October 6th. Oh, no, that's not even our next meeting. October 13th.
- [01:21:20] October 13th. Thank you. Okay, so I guess the. The motion is to postpone this item until October 16, 13. Excuse me, do I have a. I guess you made the motion.
- [01:21:36] Do I have a second? I do. Second it. And then I guess for staff, I would like to request for the record a meeting to be arranged with the locals who have elevated this issue with commissioners to participate in the meeting with them before that next meeting. And I'll have some.
- [01:21:55] Some questions for staff in advance. Hopefully, I'll be able to send those out today, but would like to meet with those members who've elevated issues with this contract in particular before that next meeting. Thank

you. Okay. Hearing no further questions, the motion on the floor is to postpone this item for a vote until October 13th.

[01:22:18] Clerk Hart, please call the roll for the vote. Thank you. Beginning with Commissioner Hasegawa. Aye. Thank you, Commissioner Mohamed.

[01:22:26] Aye. Thank you, Commissioner Cho. Aye. Thank you. Three ayes, zero nays for the motion to postpone to a time certain of October 13th.

[01:22:36] Thanks, Peter. We'll see you back here on October 13th. Okay. And that motion passes. Thank you.

[01:22:42] All right, next, we have one new business item. Clerk Hart, please read the item into the record. And Executive Director Metruck will then introduce it. Thank you. This IS Agenda Item 10A.

[01:22:53] Authorization for the executive director or his designee to execute a lease and concession agreement for a non aeronautical financial institution credit card lounge on a concourse with AD Partnership LLC operating a Chase Sapphire Lounge.

[01:23:13] Commissioners. Oh, point of order. I just see the Commissioner Hasegawa. Does she have her hand raised? I do not see her hand raised.

[01:23:22] Played delayed. Commissioner Hasagawa, did you have your hand up? It's not up. I don't think it's up. Okay.

[01:23:29] Thank you.

[01:23:32] Yeah. No, it's off. Okay. On my screen it was so.

[01:23:38] Thank you, sir.

[01:23:41] Commissioners, this item advances a new Chase Sapphire Lounge on concourse A, bringing a premium 16,000 square foot lounge offering to the airport. The proposed 15 year agreement represents a strong financial opportunity for the port with an estimated revenue of approximately \$7.9 million annually. This approach also reflects a broader strategic shift in how we use our lounge space rather than making a significant port capital investment to develop a common use lounge at this location. The Financial institution lounge provides greater financial returns while reducing the Port's capital requirements. Importantly, we have identified a lower cost path for maintaining the common use lounge program by transitioning that operation to another location altogether.

[01:24:26] This agreement represents another strong offering to travelers, makes productive use of valuable terminal space and improves the overall financial performance of the port's lounge portfolio. So the presenters this afternoon are Jeff Wolf, Director, Aviation Commercial Management Kalia Moore Parks Assistant Director of Airport Dining and Retail Scott Van Horn, Manager, Airport Dining and Retail Business Development so I'll turn it over to Jeff Good afternoon Commissioners Executive Director Metruck I'm Jeff Wolf, Director of Aviation Commercial Management at Sea. We are the team that oversees our non airline credit card lounge agreements. I'm joined today by my colleagues Kalia Moore Parks and Scott Van Horn, both part of Commercial Management's Dining and Retail team who manage our credit card lounge contracts. Just a moment here, I'll hand it over to Kalia and Scott to walk you through the authorization request today.

[01:25:22] We are excited to be here as Executive Director Metruck mentions presenting this incredible opportunity to

not only enhance our airport lounge experience at SEA for the traveling public, but also generate new future non aeronautical revenue. We're forecasting over 130 million of new revenue over the term of this lounge agreement. The Chase Sapphire Lounge would be the second credit card backed lounge experience at SEA in addition to our American Express lounge in the Central Terminal and is a reflection of how travelers are now choosing to experience the airport not just at SEA but across the industry at other airports as well. Many travelers value the experience and service lounge access provides while waiting for their flight. Our Commercial management team, along with our colleagues in Business and properties who manage our airline lounge agreements as well as our Common use Club at SEA lounges, Collectively we are actively evaluating the entire airport lounge landscape.

[01:26:23] This evaluation includes developing a lounge strategy at SEA that reflects travelers demands, accounts for impacts to lounges with construction upgrade projects and optimizes space for the various types of lounges offered at sea, all while maximizing revenue opportunities.

[01:26:43] The development of this lounge strategy will evolve especially as we plan for and construct new space at SEA, including the planned rehab of S Concourse which in itself will include three lounge spaces. As Kalia will describe further, the space allocated for this new Chase Lounge on Concourse A which was originally envisioned to be a common use club at sea. However, as part of the resource conscious efforts and in evaluating ways to reduce capital costs and Enhanced revenues, the team transitioned the space to credit card lounge use, thus reducing the capital investment requirement and enhancing revenue generation. I want to recognize and thank Kia and Scott joining me today, as well as our business and properties team, our project management team and all those involved with the evaluation process for the space now proposed to transition to Chase. They did incredible work and we have an amazing opportunity with this agreement.

[01:27:36] Appreciate the opportunity to be here and Kalia and Scott will walk you through this request. Thank you. Thanks Jeff. Next slide please. Good afternoon commissioners and Executive Director Metric.

[01:27:47] I'm Kalia Moore Parks and I'm the Assistant Director of Airport Dining and Retail. Our request today is for the Executive Director or his designee to execute the leasing concessions agreement for the non Arrow lounge at Concourse A. The lounge business is something that's being discussed widely throughout the aviation industry and aviation commercial management has continued to review the lounge business, the opportunities and challenges of lounge business to the airport dining and retail program, and also the appropriate allocations for SEA from a commercial standpoint. Today we'll be presenting the selective proposer to the non Arrow lounge rfi. But first I'd like to go over a brief history on the A concourse and what led us to moving forward with this allocation.

[01:28:31] Next slide please. The Aconcourse non aero lounge is a new offering here at sea. And as Jeff mentioned, this will be the second non aero lounge offering within the Aviation Commercial Management Group. As part of the Delta Lounge project at the end of Concourse A, the shelf for this secondary lounge space was designed and built. The original plans for this lounge was to grow the port shared use lounge into a premium Lounge Market.

[01:28:55] In April 2025, Commission approved the completion of the Aconcor shared lounge use lounge of just over \$24 million to be even more diligent with port spending. Aviation took a deeper dive into the costs and the return on investment of completing this project and it was determined to move forward with a non aero

opportunity for this lounge. The new shared use lounge, which is more conducive to the current port model of lounge investment, is planned for the upcoming lounge location set to be vacated by United in 2027. And with that, I will hand it over to my colleague Scott Van Horn to go through the details of this lounge offering. Thank you, Kalia.

- [01:29:33] Next slide please. Good afternoon Commissioners and Executive Director Mecktrick. I am Scott Van Horn, the Airport Dining and Retail Manager of Business Development. As stated in our request, we are asking for authorization for the Executive Director or its designee to execute a lease and concession agreement with AD Partnership to operate a Chase Sapphire credit card lounge at the end of Concourse A, located next to the new Delta One Lounge. My presentation will go over the important parts of that agreement and then I get the pleasure of showing you the pretty pictures.
- [01:30:03] This time. As Clea mentioned and on the map shown on the screen, the lounge is located at the end of Concourse A. Next slide please.
- [01:30:16] Any partnership or by their trade name Airport Dimensions will operate the lounge on behalf of Chase Sapphire. It is important. Excuse me. Upon approval, once open, the lounge will create approximately 130 new positions with benefits at SEA as well as countless construction jobs. Next slide please.
- [01:30:40] The rent structure for non aero lounges is different than typical ADR agreements in that lounges pay on a per square foot per year basis as opposed to the typical ADR rent of a percentage of gross revenue. The rent proposed by AD Partnership was \$500 per square foot per year with a 10% rent increase at year six and 11 of the agreement. The total estimated non aviation revenue to the port over the 15 year term of this agreement is approximately 131 million to 135 million. Based on the final actual square footage of the buildout, the part will also receive 10% of gross revenue for any day passes and other ancillary items sold within the lounge. AD Partnership has estimated an initial capital investment and midterm refurbishment costs of approximately \$70 million.
- [01:31:35] Next slide please.
- [01:31:39] As part of the RFI, respondents were asked what type of amenities they would offer within the space. It is important to note that these amenities are only available to Chase Card members and not open to the general traveling public. We are excited that AD Partnership has committed within their RFI response to a pop up activation featuring local businesses. This is another opportunity for both current SEA ADR tenants and local businesses to show their goods at the airport. Other amenities include showers, a nurturing room and family room which will only add value to flying out of sea.
- [01:32:20] Next slide please.
- [01:32:24] The space will be built out as a multi level space with both new cold shell construction and an existing condition with the club at SEA Chase. Customers will be greeted on the concourse level with their familiar sapphire blue colors and you can see its relationship in the rendering next to the current Delta One lounge. Next slide please.
- [01:32:49] This is the view of the check in area and one of the many seating rooms that are available within the lounge.
- [01:32:57] Next slide please.

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- [01:33:01] The main bar area takes advantage of the high ceilings and exterior sight lines.
- [01:33:09] Next slide please.
- [01:33:12] This is what they're calling their Collectors Lounge or their private quiet area Next slide, please.
- [01:33:22] This is the main view of the area. You can see the bar area in the background there.
- [01:33:31] Next slide, please. And finally, this is the main dining area. And one of the unique features of this lounge is that there is an outdoor patio area. That is the glass wall in the background that has availability for lounge customers here.
- [01:33:50] Next slide, please. And that is our presentation today and we are open for any question.
- [01:33:58] All right, questions. Why don't I start? Why do we need another lounge?
- [01:34:07] We do have the space built out and we do have a demand for from Chase Fat Fire for passengers themselves to be able to utilize lounge. Was this bid out? There was an R5. That was. That was submitted to.
- [01:34:19] Yes. So we had multiple people who expressed interest in the lounge itself and we put in. Was it \$24 million for the space already or we've just approved it? I believe we've approved it because we stopped and I believe we spent a total of. Commissioner, there are some.
- [01:34:35] There's some information in the memo as well about sunk costs that have already been committed when with our previous path of having it at a club at sea. So you'll see on the page three of the memoir, sunk cost, common use, construction 8 million and allocated base building costs of 25 million, which already been sunk. But the 24 million that we came in, that the team asked you for, I think that was last year, maybe earlier this year that would. We would not spend that additional amount. So the nice thing about this option is there is no.
- [01:35:07] There no additional amount that we would spend. There's no additional amount because the rest of the build out will be on Chase. That's correct. That's correct. Okay.
- [01:35:19] And just to refresh my memory, we're talking about the Club SEA space that's currently there, right? It's a combination. So there was a secondary lounge that was built out as a part of the Delta TRA project. And on top of that, it's also including the current club at SEA Lounge. Okay, so it's Club SEA plus some additional space.
- [01:35:38] Yes, got it. Okay, I'll pause for now and maybe ask my colleagues to ask questions, but I might have a question at the end. Commissioner Hazagawa. Thank you. What is Chase Sapphire?
- [01:35:57] What is. What services they provide? So it's a credit card company. No, I'm sorry. Yep.
- [01:36:05] And so what? Who carries Chase Sapphire? I'm sorry, I didn't. Who what? I'm sorry, Commissioner.
- [01:36:15] Who carries Chase Sapphire? It's basically the entry ticket to be able to utilize this space. So I'm Wondering who it is that it's going to be servicing. What is Chase Sapphire? Tell me more about the credit card company, about the program, about the level of credit that you have to be able to have in order to be able to carry this card.
- [01:36:32] I mean, we're building out an intentional space. How many people are we talking about?
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- [01:36:41] I need more information about Chief Sapphire. Okay. Yeah, I don't have specifics that you're asking for. I can follow up with you. Commissioner would be happy to.
- [01:36:49] Yeah, this is. It's been described as a club you've mentioned in your presentation. It would have exclusive access for Chase Sapphire members. That this has been a club. A request for lounge space by Chase Sapphire cardholders.
- [01:37:02] What are we doing and why are we carving out a specific space for one subset of people? I want to know how it aligns with our goals, our mission of equitable development. Yeah, thank you, Commissioner. So this is very similar, as you might be aware of the American Express lounge that's in our central terminal. So I presume.
- [01:37:25] I don't know the specifics with what the entry requirements would be for Chase Sapphire in terms of the level of card or, you know, what services each card provides, but it'd be very similar to that American Express. And it's important to remember that this was a competitive request for information process, that it wasn't a direct targeting of just Chase. We had multiple interests from multiple companies, including even some interest from airline carriers working together, potentially offering a lounge. So there was other interest as well. It's just that Chase was selected.
- [01:38:06] Yeah, I understand that. We process millions of people over the course of a year and we are maximizing on a constrained footprint, as all of us are fully aware of. And we are a public port. And I am interested in making sure that we're maximizing for public benefit, which is why I care about who is it that would have access to this build out. Specifically, I would love to receive that information.
- [01:38:37] Absolutely, Commissioner, we'll be happy to follow up with that information for you. Commissioner Mohamed.
- [01:38:45] Thank you, Chair, for the time. And let me just say thank you to the ADR team for bringing this item forward. And also just if I can spend a minute to recognize the hard work that you all put in to award 17 new folks to come to our port and expand their businesses for those who already operate here. I'm sure this is extremely busy times for you all. So just wanted to start with that.
- [01:39:16] I really appreciated the memo that you all pulled together and the information it provided. I think similar to my colleagues. One thing that I think it may be missing is the biggest problem to me I see is who's going to be impacted by this that we're not foreseeing. I felt like from what I gathered from the memo, it leaves out a more clear picture of potential businesses that will be impacted. I think about when folks are traveling through our airport, you know, they are going to a number of different locations, but when they're congregating at a lounge, those other businesses may be impacted.
- [01:39:59] So I'm kind of, I would like to better understand the indirect impacts that could happen potentially from moving this forward today. And so I didn't see that full picture there. And I think Commissioner Hasegawa has asked for additional information. And so while I appreciate this item being forward brought forward today, I would like to request to the chair that this item be delayed. And we are missing two of our colleagues who are not here today.
- [01:40:31] And I think this would be a we should give them also the opportunity to weigh in on this. And so I have a number of questions based on the presentation that we received today in the memo. And I'd love to send

those questions in email if that's okay. Yeah. Thank you.

- [01:40:49] Commissioner Mohamed, it sounds like we have a motion to postpone until a date certain. I'm assuming that date is probably October 13th. Let's go ahead and get the main motion on the floor before we can move a secondary motion. Mr. Chair.
- [01:41:00] Okay, well, the main motion was not introduced yet. Right. We would have to put the motion on the floor. I would like to. Which motion?
- [01:41:13] Which motion to, to approve item 10A, you have to have a main motion on the floor before you can move a secondary motion.
- [01:41:23] We can't just make the deferral the main motion. You have to have the main motion on the floor before you and then you would postpone it. The other thing that you could do is move to amend the agenda, but you're in the middle of an item right now. All right. Is there a motion to second on this item?
- [01:41:42] So moved.
- [01:41:46] Do I have a second? Second. All right. So the main motion is now on the floor. Now a motion to postpone would be in order.
- [01:41:53] Got it. Chair, I'd like to move the motion to delay this item to a time certain October 13th. Yes. And chair, I would like to make sure, I mean we're all part time commissioners. And so if by October 13, if commissioner questions are not answered, I just want to be transparent that that could further delay it.
- [01:42:20] And so it would be really important for us to have the information we need to be able to make the most informed decision about this item. And so I just want to be clear on that, that there could be scheduling impacts that may cause a further delay. So just naming it. Just a point of clarity. Thank you.
- [01:42:41] A point of clarity for me. So am I hearing that if it's not ready to come Forward on the 13th, you would like it to move to the second meeting in October? That would be my preference. Honestly. It would be the second meeting.
- [01:42:52] Meeting of October if I. You know, I can foresee some delays with the questions that will come from a number of commissioners. And so I want to ensure that those questions are answered. So can you tell me when the second meeting of October is? The date.
- [01:43:09] 27th. 27th. It's 27th. That's the date that I would propose. October 27th.
- [01:43:18] Okay. So the motion to postpone us to a date certain of October 27th. That's correct. That's what I would suggest. Okay.
- [01:43:24] And then through the presiding officer to Commissioner Mohammad, may you inquire then about any kind of impacts to this item via the executive director or staff that there might be in the process for the rfi. Thank you, Clerk. I'm happy to take that. If Executive Director Metruck or members from the presenting group would like to share any thoughts or. Well, I think you have until October 27th to provide that information.
- [01:43:54] So I'd like to go ahead and ask for a second on that. That's a second. All right. Clerk, car. Can you please call the roll.
- [01:44:08] Beginning with Commissioner Hasegawa? Aye. Thank you, Commissioner Muhammad. Aye. Thank you,

Commissioner Cho.

- [01:44:16] Aye. Thank you. There are three ayes, zero and Nays for the motion to postpone to October 27th. Can I just really quickly comment on something and ask how did the news of this lounge get out before we approved it?
- [01:44:34] I'm not. I don't understand. Okay, you guys can Google it and then get back to me at the end of the day, because this news went out, like, three days ago before any of us got a chance to vote on it. Go Google it. So the only information that would have gone out was with the.
- [01:44:48] So it got leaked is what I'm telling you. It got leaked. I don't know who leaked it. I want to believe it wasn't our people, but I certainly don't appreciate things like this getting out ahead of us. So please find out what happened.
- [01:45:00] And if Chase Sapphire leaked it, they're going to have to come and apologize because that's not acceptable. The entire industry knows about this. It's on Reddit. It's been out there for three days now. So you guys can go do your homework and get back to us.
- [01:45:14] Thank you. I'm not sure I'm going to answer that.
- [01:45:20] Go ahead. Yeah, I mean, I just wanted to add that while I haven't looked at all of the news outlets on this, I just want to want to add to what Commissioner Cho said. I believe maybe it's the members of the media or the public that have seen our agenda go public. But to assume just an item that is in front of our agenda is going to be approved and that the commission is not going to do their due diligence on it, if that is an assumption, I think people should reconsider their thoughts around that. Thank you, Commissioners.
- [01:45:54] If I may, it's just been flagged for me that the agenda was made public last week and that might have been what provided some indication that this was. That's not the point we're making. It's the point that people are assuming that we're going to just approve this item and that is the public information that has been put out. So it's one thing for the agenda to go out there, but to assume that commissioners are blindly going to vote for an item is pretty problematic to us. Thank you.
- [01:46:22] All right, I'm going to call for a five minute recess just for us. There's only three of us here. There's no possible way for one of us to take some time to for a restroom break. So I'm going to ask for a five minute recess. How much time do we have?
- [01:46:36] Yeah, five minute reset. Actually, let's just, let's reconvene at 2:00pm Perfect. Thank you. We are in recess.
- [01:46:45] All right, I'll call us back into order and we will move on to the next item on the agenda, which is Green Marine International Environmental Certification Program. Briefing Clerk Hart, please enter, introduce the item you did. We'll just go on to Executive Director Metric. Thank you. Yeah.
- [01:47:09] Commissioners, this briefing provides an opportunity to review the port's participation and performance in Green Marine International, a voluntary environmental certification program that provides an independent and transparent parent measure of environmental leadership across the maritime industry. The port has participated in green Marine since 2013 and was the first U.S. west coast port to achieve certification. Since then, our performance has remained among the strongest of participating ports, reflecting sustained work across multiple areas. Today, we'll hear from Green Marine International and port staff about the

program, our performance over time, and how this work supports our broader Century agenda commitment to environmental leadership. Now we have a number of speakers, but I'm going to introduce Stephanie Jones Stevens to go ahead and introduce to talk more about it and then introduce the folks that will be speaking.

[01:48:00] Thanks, Stephanie. Thank you, Executive Director Metruck and thank you commissioners. I wanted to take the opportunity to introduce this presentation because of the incredible value that this has to the Maritime division and the maritime businesses that we run. This is a great example of how doing things the right way is also helps us operate more effectively. The rigorous standards that are part of Green Marine are so well thought out and so well designed that it really helps us not only benchmark against other organizations, but also gives us a path to aspiration as well as in full disclosure, I feel so strongly about this organization that I have been on the board just recently stepped off.

[01:48:46] But the port, as Steve said, has been deeply involved in this and I like to think has contributed to its success and excellence. I'm now going to introduce Sarah Auger, our director of Maritime, Environmental and Sustainability, where this is where the hard work on the program happens. Dr. Eleanor Curtley, who is with us from Green Marine. Thank you so much for being here today and Mike DeSoto, who really does the heavy lifting on this program for the Port of Seattle. Sarah.

[01:49:18] Thank you, Stephanie. And just a few quick words. I know there are a number of us here today, but this program is very important and it does drive our work day to day throughout the year. It sets ambition and aspiration in our work. It helps us speak with leaders like yourselves about what we're aspiring to do and explore that.

[01:49:41] So that's been really great to set a bar for us. It's also been really valuable to be part of a community with other parties who have these aspirations of environmental stewardship and sustainability. So that's just some anecdotes to some of the value it brings and how it impacts our work day to day, year to year. And so without further ado, I want to let Eleanor speak. And then we also have Mike desota from my team here who is the runs the program on our side.

[01:50:11] That means running metrics and reporting and keeping track of things for us throughout the year and coordinating with the organization in order to see that our document are reviewed and that we get to compete in this evaluation. So without further ado, Dr. Curtley, if you wouldn't mind walking through the presentation and we are here as port staff to answer questions as well. Wonderful. Thank you, Sarah. Thank you, Stephanie.

[01:50:36] Hello Commissioners Cho, Mohammed and Hasagawa. I see you online. Executive Director Metric. Appreciate your support through the years as I have been introduced. Dr. Eleanor Curtley, senior program manager with Green Marine.

[01:50:49] I have been on this journey with you since 2013. At the time I was a consulting engineer and analyst with Glouceston. We were a sub consultant to one of your subs working on the Northwest port's clean air strategy and your apperth clean fuels. So for the last 13 years have seen the port really commit and come along and continually improve on this environmental journey. And it was largely because the Port of Seattle was the first US West coast participant to join that it was in 2014 that our board of directors from the head city in Quebec City, head office in Quebec City decided to establish their first remote position for the

organization in Seattle, Washington.

- [01:51:32] That is what became my job. I am personally grateful because I love what I do and who I get to do it with. And for you, my background's in naval architecture and marine engineering. It was that experience working for the port back in 2013 that helped gave me the credentials to come into this program which is maritime wide, very diverse, broad and deep. And you'll see that's part of the benefits of our program.
- [01:51:58] If we can go to the next slide.
- [01:52:02] So who we are? We are a voluntary environmental certification program across the maritime industry. We uniquely certified both vessel side and shore side assets and operations across five sectors. Those icons color coded from left to right, those are our ship owners. Red for ports, purple terminals, green shipyards and then the seaway.
- [01:52:26] By the composition of our membership and the scope of the environmental issues that we cover, we are the most comprehensive environmental initiative to date for this maritime industry. We're nearly 20 years old, having been founded in 2007 in the Great Lakes and St. Lawrence region. So I like to say we were binational and bilingual from the start. And not only are we an initiative by and for the industry, but we feel a big part of how we earn our credibility is this inclusivity in working with our community groups, environmental groups, government agencies, other academics, scientists, experts, et cetera, to come up with the certification requirements and this standard definition, these metrics of what it means to be green in the maritime industry. Further, our credibility is earned by the robustness of these standards.
- [01:53:14] But that our transparency in publicly reporting all of the requirements as well as the results, and the results are all third party verified. Next slide. So here you see a bit of the arc of the growth of the program from 2007. It was 2013 that the port became the first US West coast participant. I came on board in 2014.
- [01:53:38] It was in A bit of a silver lining that was that year was the launch of Green Marine Europe. So they're now six years old and holding their annual event today, Green Shipping Day. And then in 2024, under the leadership, our board of directors, where Stephanie was chair at the time, we incorporated Green Marine international. Now in 2026, all told, globally our membership exceeds 550 member organizations. About 40% of those are our participants, those who achieve Green Marine certification.
- [01:54:12] Additionally, we have three more member categories, our partners, associations and supporters. Next slide. So with the incorporation of Green Marine International, we undertook a strategic planning initiative with consulting our members and refreshing our mission and vision. Seeking to become the global leader in charting the course for sustainability, being that North Star, that compass in defining that standard definition, while staying true to our core values of collaboration, integrity and commitment. Next slide.
- [01:54:48] Thank you. Particularly for our participants, these are the top value proposition items that we like to promote. We've spoke about the framework, a roadmap and action plan, making sure that that is objective, technical, achievable and yet progressive. Giving participants kind of an off the shelf environmental management plan that they know that they can follow and plan against for that continual improvement. And then because you've made these investments in your environmental performance, we offer recognition and visibility.
- [01:55:19] There's a whole suite of communication tools that we publish, maintaining the website LinkedIn followers

exceed 9,000. Our monthly newsletter goes out to over 4,000 subscribers. Today's issue for September highlighted the Ports 2025 environment and sustainability Report as a top headline, which was exciting to see as we are waiting for our turn on the agenda. And then like we said, practice. Of what?

[01:55:45] The practice. The people that we're working with in our network. Our community of practice. Exactly. So we are bringing together very diverse stakeholders across the industry and across expertise.

[01:55:57] One of the best things we do every year is our annual conference and certification reception called GreenTech. Really engaging in that dialogue, setting that common baseline of information, data, lessons learned. I do love the Scar stories presentations, but really fostering those partnerships across different groups and then added value. We are a not for profit, very conscientious of the administrative effort of conducting the certification process. We want you to be putting your limited resources towards actually implementing your environmental measures.

[01:56:29] But let us give you that little extra credit for for having done so. And often that certification is providing access to financial incentives. Next slide.

[01:56:41] So I talked about the breadth or the comprehensive program that we cover. There's 15 different performance indicators, each tailored to the participant type. Those of the 15 with boxes, are those applicable to port authorities. And so you see those are the icons with the light blue outline. You have the most.

[01:57:00] There are nine, eight of which are specifically applicable for Seattle. That's greenhouse gases and air pollutants. Aquatic Ecosystems is one of the newest PIs in the program. Community impacts, community relations, Dry bulk handling and storage. Because you are a landlord port not operating the own bulk terminals, that's the one that's not applicable.

[01:57:20] Environmental leadership has been one of your level fives from the beginning. Spill prevention and stormwater management. Of course that's important here in Washington state as is underwater noise in the Salish SEA with our southern resident killer whale. And then waste management from the beginning of the program as well. If you scan the QR code, you'll see all the details that go into our performance indicator framework that I'll show on the next slide.

[01:57:44] Identifying criteria on a scale of levels 1 to 5, Starting with monitoring of regulations. So does the participant have a system in place to stay aware and in compliance with their city, state, federal, international rules and regulations as appropriate? Is there a person on staff who is trained, resourced and responsible for this? Level one being required for certification as well as one level two? These criteria are colloquially are low hanging fruit more prescriptive, typically operational BMPs.

[01:58:21] Moving up to level three, that's where we'll require more of a formal management plan or an inventory. We can use data from that measurement then to set reduction targets and have demonstrating meeting reduction targets up at Those higher levels 4 and 5 where we'll also incentivize research and development and deployment. We've talked about partnerships before. This is one of the areas that we foster. Having more capital intensive investments, wanting to help kind of de risk those investments by showing that they are part of a roadmap.

[01:58:49] All kind of progressing up to level five excellence and leadership. And then next slide, we often get asked

then how do you come up with all of these criteria and how are they maintained? They are maintained on an annual basis. Of the 15 different performance indicators, there are four program managers. I'm the senior of four.

[01:59:12] And so there's about three to five PIs each year that per the direction of our advisory committees on our three year program development plan will be due for maintenance. We want to make sure that our criteria are staying above and beyond regulation. When that regulatory baseline can be dynamic, uncertain and disparate between Washington State and British Columbia, between Washington and California, how can we continue to go above and beyond and how can we continue to reflect latest and greatest innovations and practices? So making sure, we are providing a consistent roadmap, but also continuing to raise the bar to keep pace with our participants achievements and global ambitions towards decarbonization and a host of other environmental issues. So it's our advisory committees that define those priorities year on year.

[01:59:59] The advisory committees are comprised of the four member categories as well as our verifier. They are regional. I facilitate our west coast advisory committee. Mike has served as chair for the last six years. And then the annual development process starts with the work groups on an issue specific basis.

[02:00:15] So for example, last year I facilitated our Underwater Radiated Noise workgroup for for our ship owners. The workgroup recommendations will move to all participants who get an opportunity to formally provide feedback through the technical committees. That's in November meetings coming up on the third and the fourth in both English and French. And then the advisory committees will get to review those recommended updates to the program and ultimately be approved by the Board of Directors in February. Next slide.

[02:00:45] And then the other annual process that's superposed which is really kind of like the pith of what we do is a voluntary certification process is this annual process for our participants. It's really two steps from left to right. It's the annual self evaluation. Those are due March 15. By logging onto the smart guide, it will step you through the checklist of all the applicable PIs and criteria on that scale of levels one to five.

[02:01:08] Participants are then responsible for pulling together the evidence and justification that they have met the criteria claimed. Our verifiers will then log on and verify that the participant is doing what they said they're doing. That verification is only done every other year with results due May 1st. And then in that April May timeframe we're collating all the results, conducting a lot of QA qc, synthesizing statistics, writing our annual performance report with not just the numbers but also the narrative of the who we are and why we do what we do. As I've noted, there's minimum requirements to become certified.

[02:01:42] But then we also have requirements to maintain certification with continual improvement up a level each year. Until level two is reached across the board has never been an issue for the Port. Certified participants get the right to use the certified logo that you see on the top right. Next slide. And to dig a little bit into the Port of Seattle.

[02:02:02] Specific results for 2025. This was a year that we had 244 reports submitted by our participants comprising about 1,700 distinct distinct performance indicators. Here you see eight of those on the board, six of which are already at a level 5 GHG and air pollutants, aquatic ecosystems. That was the one that came in two years ago. Community relations two years before that.

[02:02:27] Environmental leadership, as I said, was level five from the beginning. Spill prevention, stormwater

management and waste management. The green bars that you see here are offering peer to peer benchmarking where that's the average of 54 green marine certified port. And on the next slide we'll compare the ports average of 4.6 against those other 54 certified ports of your 2025 results. You see that puts you in the very top 3 of all certified ports across the U.S. Canada and Australia.

- [02:03:01] Next slide. Wrapping up here, the port has 13 years, a legacy of leadership of demonstrated, quantifiable, defensible results of your environmental performance. You can see the scope has grown over time and the levels achieved have also increased over time as the most comprehensive environmental framework that we have here today. The port can be very proud of your first mover legacy. I love the terminology that this is a durable asset.
- [02:03:30] No one can take that away from you. You will always have been the first and have this very long track record that you could be very proud of of being part of this program.
- [02:03:41] Next slide. I mentioned the communication tools. Here's a little illustration of it. The suite of which we produce and then we will also support our participants in producing your own communications, whether it be for marketing, business development, government affairs, community engagement. We want to help you tell your story, shine a light on the good things that you are doing.
- [02:04:06] Next slide. And then in summary, why green marine certification matters. It is grounded in the credibility of the certification, in the transparency, in the partnership, in the third party verification of results. And that you have this legacy upon which you can stand, not simply just paying a membership fee, not just simply being a participant, but really being leaders in the organization. As Stephanie said, she had a tenure of the maximum two terms on our board, including as our chair over some very pivotal growth years for us.
- [02:04:40] And Mike as well is on our advisory committee. And as a result of being part of this program, you do have that fair peer to peer benchmarking and this framework for continual improvement. It's not a set it and forget it, but a program to grow with you as we have over the last 13 years. And it's in alignment with the century agenda. So the port has set these goals and this is one of the ways that you can demonstrate meeting those goals.
- [02:05:06] The first mover legacy leadership. As we've said, you are a first that's yours to hold and keep forever and it becomes a communication tool for your stakeholders, your tenants, your peers, your other customers in the maritime industry. We've listed some of the other participants here in Washington State. State. First, I'll highlight the terminal operators of Ports America, SSA Marine Shipyard, Motive Power Marine, and then WT down in Tacoma.
- [02:05:32] Ship owners are the pilots and clipper. And then of seven ports in Washington state, we have Bellingham, Anacortes, Everett, Seattle, Northwest, Seaport, Alliance, Olympia and Longview. So you were the first, definitely not the last. Many have followed in your footsteps, and I'm tremendously grateful to have been on this journey with you and to see the growth of the program since 2013. Thank you for having me.
- [02:06:03] Awesome. Thank you so much for that great presentation. Any questions from my colleagues? Yeah. Commissioner Muhammad, thank you for the presentation and for the information.
- [02:06:16] And Stephanie, thank you for serving on the board and for representing the Port of State Seattle in that role that you were holding. I appreciate the work that goes into making sure that we're pushing our

environmental sustainability goals and hitting them. I had a couple of questions. I saw that the Community Impact Score, we held a 5 from 2019 through 2023. Correct me if I'm wrong.

[02:06:48] Yep. And it appears that we dropped to a 4 in about 2024 and 2025. What caused that drop? And do we plan to go back up? Well, I can speak to the program development behind it.

[02:07:06] I commented that the program is dynamic and incrementally updated year on year, kind of keeping pace, stemming from member demand on where they want that framework. One of the reasons that we may be able to cite is that in 2023, we released a performance indicator called Community Relations. So we literally took scope out of the PI called Community Impacts. That one was originally covering impacts due to air, noise, light and dust, as well as kind of like, how do you deal with complaints? And so that scope was taken out and populated into a whole new five level performance indicator.

[02:07:43] And so then we ended up backfilling the Community Impacts PI with a whole host of new criteria related to vibrations, aesthetics, and additional monitoring and potable water, if I'm remembering correctly. And so it takes time to put some of these measures into place, specifically the ones up at levels four and five. So dropping down from a level five to a level four probably means there was a level five criteria that still would be needed to be implemented. Okay, but from your knowledge or assessment, it's not something significant. And it was less the port change what we were doing, but that the rating system changed.

[02:08:19] And so then it took Time for us to adopt and provide measurement and aim our ambition in those directions. Yeah, that's really helpful. Is that the same thing for the underwater noise? Because that also the. Oh sure, yeah.

[02:08:37] Aye. Mike DeSota, Senior Environmental Program Manager. The underwater noise has been an ongoing effort. When we first started looking into the underwater noise you had like the Port of Vancouver, that was the leader in that program. We've since made huge strides and efforts.

[02:08:56] Some of our program managers have been working on that program. We've since installed hydrophones under a two year, two year period to hopefully get and develop a background for Elliott Bay. And once we've done that, we should push that indicator up into the Level 4 category with, with developing and trying to identify and reduce the underwater noise footprint in Elliott Bay to, and maintain that to get to a level five. So we're making progress on it. It's coming along.

[02:09:32] So yeah, it seems like we've been stuck in three since 2022. And so I'll channel, I guess my colleague Commissioner Felleman who's absent today. Given the southern resident orcas and the Puget Sound, I think it would be great if we can reach that level four or five. And I very much appreciate the ambition and we are here supporting it. I will say however, as a new performance indicator, specifically of the 15, it's been underwater noise for ports that has lagged other PIs.

[02:10:04] The global average of all 1700 is 3.1. For ports underwater noise, it's still around a level 2. I was recently presenting to another one of your US West coast ports and showing this context of even ports versus ship owners for this PI. So you are very much within your peers in that level achieved. That makes me feel a lot better.

[02:10:26] Yeah, I'll make sure that Commissioner Felleman hears that. Lastly, it looks like the membership fee runs about what, 20,000? Around 20,500 does that account for also?

- [02:10:42] I mean we're in budget season at the port, so I'm more so looking at our port staff for like what's the full annual cost, including staff time that goes into this is something I'd be interested in thinking of. There's, there's some of my staff time that goes into the work. I don't know that we've evaluated that fully. I will say a lot of the foundation of the Green Marine program has really been built off of the work that has been set in place for years. I was fortunate enough to take over the program in 2016 and in starting to look at the indicators and the work that the port has been doing for years.
- [02:11:22] It just really aligned well with the Green Marine program. And it was just a matter of organizing that and identifying how we met those different criteria in those targets. So. And I would also say just from kind of the business perspective, I think the majority of the work is actually implementing the environmental work, which is what we need to be doing. And this really helps us do it, I think very efficiently.
- [02:11:50] So for instance, with underwater noise, our program is relatively new and with this really gives us a roadmap. So we're not reinventing the wheel. Okay, I've kind of mixed my metaphors there, but we're not reinventing a program. We could look and see what our best practices. I will follow up with you on the budget amount.
- [02:12:10] I think. I think it's a little bit less than that, but we'll follow up. Okay, thank you. That's really helpful. I'm glad we are part of it.
- [02:12:21] And setting these standards and working to meet them is great. And doing it in a very structural way is effective. And so I do appreciate the hard work that goes into maintaining the relationship. So thank you for the time. Thank you.
- [02:12:39] Great. I'll just pile on and just say thank you to the team for putting us on the map for being the first on the West Coast. I wish we were the first in the nation, but that's okay. I'll take the West Coast. You know, this is just another way for us to walk the walk and not just talk the talk.
- [02:12:55] And the fact that we were able to check off all the boxes and demonstrate that we're a leader in this space is a huge point of credibility for us as an institution. It's the reason why I can go out there and brag about us and why we can go out there and teach other ports about the great work that we're doing. And very excited to see the progress we're going to continue to make, but also how we can kind of snowball this into helping other ports get there as well. And so really appreciate you all for all the great work that you guys are doing. And I certainly appreciate being able to brag about us outside the institution.
- [02:13:34] So seeing no further comments. Thank you guys. Appreciate it. We'll move on to the next item on the agenda. Clerk Hart, please read the next item into the record and Executive Metruck will then introduce it.
- [02:13:49] Thank you. This IS Agenda Item 11B 2027 Central Services Preliminary Budget and Fort Wide roll up briefing.
- [02:13:59] Thank you, Commissioners. We're in the home stretch. Commissioners, today's briefing is an important step in developing the 2027 budget with a focus on the proposed central services, operating and capital budgets and a preliminary view of the budget Port Wide budget roll up we enter this budget cycle from a position of continued demand for our services, but with a financial trend that requires deliberate action.
- [02:14:24] Requires deliberate action Due to a variety of factors, revenue continues to grow, but at a slower pace than we've experienced in recent years, while expense growth continues to outpace revenue growth. We

began responding to that trend well before this budget cycle that we are for 2027. Across the organization, teams have worked to control expenses, evaluate staffing and contracts, identify new revenue opportunities, and make difficult workforce decisions, including the elimination of both filled and vacant positions. The central objective of our 2027 budget is to increase the margin between revenues and expenses. You've heard me say that many times that discipline is important not simply for the operating budget before us, but because stronger operating performance directly supports our ability to increase capital capacity that make the transformative investments that create jobs and advance the Port's mission and values.

[02:15:18] Today, staff will walk through the proposed central services budget for 2027 and the preliminary portwide outlook, and then we'll seek your feedback on this. This discussion will continue with the operating budget divisions and our tax levy and financing plan before we bring the full 2027 budget forward for commission consideration later in November. So the presenters this afternoon are Chris Wimsatt, Chief Financial Officer and Michael Tong, Director of Corporate Budget. So I'll turn it over to.

[02:15:48] Great, thank you Executive Director Metric. Good afternoon commissioners. So we can move to the next slide. So first of all, Chris Wimsatt, Chief Financial Officer. And so I'm going to cover the sections for the 2027 budget timeline, the budget strategy process and the Port wide budget roll up.

[02:16:07] And then I'll turn it over to Michael Tong who will take the central services operating budget, cover our equity and budgeting efforts, provide a summary of the community programs, the central Services CIP, and talk about kind of what's next in the budget schedule so we can move to the next slide. As we see here, the budget process here kind of stretches from April through late November. And so we started with 2027 business plan and CIP development, moved into really in earnest development of the 2027 budget in partnership with staff from across the port. We start with budget briefings in September and October, which is what we're here for today. Coming up next will be the introduction of the 2027 Budget and Public hearing in mid November and then ideally adoption, consideration of adoption in in Late November so we can move to the next slide.

[02:17:01] The multi year strategic planning efforts under the framework of the Century agenda yield annual business plans. And those annual business plans inform the annual budget and performance plans. So, as I've mentioned today, we will review a Port Wyden Central Services overview of the 2027 budget proposal as developed under the 2027 business plan. We can move to the next slide. Thank you.

[02:17:31] So we continue to operate in an environment of significant uncertainty. Policy actions related to trade and immigration have led to increased inflation at a time of declining resources, while as a result of technological change. The pace of change is accelerating. But our obligation to our region remains. And our intention for the 2027 budget is that we'll continue to meet our community mandate while responding to the broader market forces that are buffeting our business in an effort to move forward and build that capital capacity that executive director metruck mentioned.

[02:18:06] We can move to the next slide. So the 2027 budget strategies. In order to do that, we've endeavored to prioritize operational needs with the express purpose of constraining the rate of growth and our expenses. This includes additional scrutiny on new and vacant positions and the affordability of our capital program. Our objective is to focus on sustainability, adaptability and resiliency in our spending and business plans and that attempt to grow long term capital capacity.

- [02:18:36] We can move to the next slide point question here.
- [02:18:42] Do you in the last slide, do you mean financial sustainability or focus on environmental sustainability priorities? Both. Okay.
- [02:19:00] Okay. And we can move forward one more slide. And this is the 2020. The 2020-2027 Portwide O& M budget summary. This is a view.
- [02:19:11] And so we can see in this chart a rate of expense growth in the post pandemic era that was fairly aggressive. The portwide operating expense growth since 2021, the compound annual growth rate was nearly 10%. But at the same time revenues grew at a rate of less than 7%. And so we see the impact of our efforts to bend the curve here in 2027 and a relative leveling of the rate of growth. With an overall O and M growth rate of 3.7% in the proposed budget today, we can move to the next slide.
- [02:19:48] So starting at the top on this chart, we can see that total costs inclusive of capital are up 0.5%. And we have increased in payroll costs of about 2.6% or \$13 million, offset by reductions in total non payroll costs inclusive of capital. The net of those two is a \$4 million increase or 1/2% below that in the next section we see total charges to Capital is a 23.7% decrease driven primarily by decreased budget for onsite consultants, but also by reduced payroll charges to capital as a result of some of the difficult decisions that Executive Director metruck mentioned a few moments ago. The reduction in capital environmental projects is a function of the NEPA completion for the airport Master Plan and also a fewer capital projects that will trigger a need for environmental remediation net of capital which is the section there. Closer to the bottom, just the O and M underneath the charges to capital section we see a 4.2% increase in payroll expenses driven by wage and benefit increases and an inflationary 2.9% increase in non payroll costs leading us to the 3.7% overall increase in the O and M budget from the 2026 revised to the 2027 preliminary proposed budget.
- [02:21:06] And just as a reminder, the changes between the 2026 budget that we see on the screen and the 2026 revised budget were not actually economic changes. They were changes as a result of GASB rulings that reclassified what was and what was not an operating expense. So the growth rate is a comparison of the 2027 proposed budget to 2026 revised which is an apples to apples comparison. So if there are questions up to this point I'd be happy to take them. If not I can turn it to Michael Tong who will cover central services.
- [02:21:39] Any questions right now? Nope, keep going. Good afternoon commissioners and except daughter Mackie and thank you Chris. Next slide please. So I would like to provide you a kind of a big picture first by looking at the longer trends of the budget comparison since year 2000 and we experience a drop of 8.3% in 2021 budget because of the COVID and since then we are seeing a double digit increase from the 2022 budget to 2024 budget.
- [02:22:21] And as you know we have pretty high inflation during that period of time after the COVID and then also we try to catch up some of the spending, we delay some of the spending during the COVID era and so part of this tried to and reduce quite some costs as well as you mentioned and then since then we have to try to catch up some of the spending and initiative. The other reason is also we have the equity pay project as well as the COMP project that time so we're seeing some increase in the payroll side as well. And the other part is also try to provide more support or have more demand from the operating division given the

growth especially at the airports or in the past few years that time overall, if you look at the dark pool which is the payroll cost and the light boost long payable, usually look at the two components and payroll cost is about 80% of the total operating expenses for central services.

[02:23:28] The growth rate since then have been slowing down in the 2025 and 2026 budget, 2025 and 2026 budget to a single digit. And then for 2027 the budget for central service only increased by 2.4% and I will go into a little bit more detail in a few minutes. Next slide please.

[02:23:53] So our Target it was 4.5% and our proposed budget at the moment is 2.5% increase from the 2026 revised budget. We look at the payroll and non payroll. On the payroll side the budget is 7.2% or 4.5, excuse me, 7.2 million or 4.5% increase mainly due to the payroll as well as the benefit cost and then the also partially offset by a reduction of the 39 fielded and unfiltered position which I'll go into a little bit more in detail in the next slide. On the non payable side actually we are seeing a reduction of 2.5 million or 5.6% mainly due to lower consulting costs from engineering department especially which is 9.8% reduction. And a large part of that I should point out is really charged to capital or supporting capital project which is about 7 million.

[02:24:59] And so the O and M piece of that is about 2.8 million reduction on the operating side. And then we also get some help with the one time item in the 2026 budget which is 3.3 million. They are partially offset by some contractual increase and some budgeted and unbudgeted or under budgeted item in the 2026 revised budget. Next slide please. So we mentioned to you about the modified civil based budgeting.

[02:25:34] We implemented the work in May earlier this year before we get into the formal budget process. And here's kind of the quick result by department overall. If we exclude the ICT which we experience some pretty big increase in the contractual increase related to some of the software like the PeopleSoft contract and some of the enterprise system agreements and also some security contract like the checkpoint that you see from here. And also the police departments also have experienced pretty big increase in the jail cost and the cost fee with the City of SEA-TAC and some public defenders costs as well. So if we exclude those two departments the total budget reduction is about 1.7 million from other departments.

[02:26:25] So it's a huge Effort and lots of those. Again really more focused on some of the reduction in training, some travel and TBCD and other items that most department kind of put a very discipline into that process and you know generate those results. Some of them pretty hard decision. Next slide please.

[02:26:51] So we typically look at the budget by breaking down into two major categories which is payroll and non payable. So here's the current summary for the payroll budget we have 2% cola assumption as well as 1.76% for the average pay for performance for long represented employees. And then for the represented employees we are based on the union contract. The benefit cost is based on the child's guideline budget guideline memo which is about 7.5 to 7.6% increase for next year. Then also we have to analyze the payroll for all the new FTE that approved it in 2026 budget as well as the mid year approval for the position during this years as well.

[02:27:40] And we eliminated 39 FTE in the 2027 budget. We also changed the vacancy factor from 4% to 2% which translate to about 3.1 million increase in the payroll cost. So you know, in the past couple years we used 4% because we have more vacancy. But now with all the reduction we felt it's prudent to reduce that to reflect a little bit more minority. And part of that's also because we always have some vacant position and sometimes take a little bit time to hire some of the we feel some of the position.

- [02:28:22] That's why we have the vacancy factor. Next slide please. So here's a quick summary of the FTE for central services. We start with 985 FTE in the 2026 approved budget and then mid year approval we have 1.5. And you can see the details here.
- [02:28:42] One from the police department and 0.5 from external relations. We also eliminated 3.6 FTE and you can see the information here. And then we transferred the workforce demand function from OEDI which we signed Central Service to Economic Development Division this year. And then for the 2027 budget we don't have any budget transfer again we eliminated 39 position 20. Three of them is from the engineering department and 12 from PCs and four from central procurement office.
- [02:29:26] And then we are PCs port construction services. And then we proposed two new positions from the Police department which you will see a little bit more information later. Our decision was to ask them to use the vacant position. They have a number of vacant position and to kind of repurpose some of it. And then using the budget there.
- [02:29:49] So the net effect is pretty minimal, no impact to the FTE count and the budget is pretty minimal because again those are the vacant position just for repurpose them. Next slide please. And then on the long payroll side of that, we asked department to come to provide the department baseline budget which is based on the modified civil based budgeting that I that number that you saw a little bit earlier. And then we make a few exceptions and make some adjustment. Some of those examples like property rental, those are more limited to a few department that pay rental for some of the space.
- [02:30:34] Similarly for insurance and utility costs, a lot of department pay for those. And then the budget adjustment that we made was that we exclude all the one time item in each department's 2026 budget. We added the mid year approvals and then added the construction increase and the other budget adjustments. All those details you can see in the slide in the appendix. So those provide all the detail for each of those item here.
- [02:31:07] Next slide please. So here's a kind of waterfall chart to show you visually the changes from the 2026 revised budget which is 203 million. Again we took out the one time item, we added the media approval and so on and get to the adjusted baseline of 204 million. And then we added the payroll increase which is 7.2 million. And then the new budget requests which is 595,000 and then some of the non payable overhead reductions, 3.9 million to get to the proposed budget for 2027 of 208 million.
- [02:31:53] Next slide please. So this is this slide very similar to the slide that you saw a little bit earlier. I just want to point out a couple of number here. If you look at the percentage column, the number that I want to point out is the adjusted in the Middle adjust the 2026 baseline budget 204 million which is 0.5% increase. With all the changes that I mentioned.
- [02:32:17] One time item we have buffalo and some contractual increase that we aware of. And then the payroll increase, we saw that a little bit earlier. So the total increase is 2.3 million before the gas B adjustment. With the GAS B adjustment, the very bottom 1 is 2.4 million. If we do compare apple to apples.
- [02:32:39] Next slide please.
- [02:32:42] So here's kind of similar to the slide that Chris provided to you a little bit earlier. If you look at the second last, the last two column from the right hand side, the total payable cost with charged capital including the charge TO capital is 3.3 million or 1.8% increased. And then the non payroll cost is over 10 million

reduction or 14.4% reduction. So those are the payable and non payable and combined 7 million or 2.7% reduction. So those are the total costs before charge to capital.

[02:33:24] So it's real kind of some reduction that we put into the 2027 budget. And then if you look at the charge to capital, total charge to capital, 11.8 million or almost over 20% reduction. And that's mainly because there's less capital needed from the airport especially. So that kind of affected the business forecast there. So without with the charge excluding the charge to capital, payroll cost 7.2 million or 4.5% increase.

[02:34:06] And the non payroll as I mentioned, 2.5 million reduction, over 5.5% reduction. Overall 4.7 million or 2.3% reduction increase from the 2026 budget.

[02:34:26] Next slide please. So here we want to provide you a summary of the new budget requests from basically three departments. So we saw most central departments saw a very strong discipline not to even submit the budget request given the financial constraint that we have this year. We received a total of 23 new items and the total is about 1.5 million. And including two positions that I mentioned a little bit earlier from the police department and out of the almost 1.5 million we only approved it 595,000.

[02:35:05] And you can see the breakdown on the right hand side of the table there. And then actually the next slide is a summary of all the new budget request item. And again you can see the more detailed description in the Appendix. The first two items from ICT just total to be 95,000. And we support some of the data modernization and some of the better tool for the data tool and security.

[02:35:37] Then the rest of the items are all from the police department. Mainly you could see that the I mentioned about the jail costs and other that already made the adjustment earlier, just the baseline. But also they have the King county jail cost contract increase and public defenders cost as well. So 185,000. And then the other couple items that was the computer replacement replaced some of the computer in the police petrol car and also the portable video, some of them been video and time to repay some of them.

[02:36:16] And some of those like the marine type equipment, those are, you know, time to repay. So a number of those are the equipment, you know, replacing some of the old equipment. And then the last two item that I want to point out is the two position one is the police specialist for the public disclosure. They've been getting a lot of requests for public disclosure. It become more in terms of quantity and also more complex than some of the items.

[02:36:48] So they need there's some delay for some of the requests. So we just make sure we meet the state law. So that's one of the requests. And then the other position is the video technology manager. And they already have some coordination with the ict.

[02:37:06] This position is really supporting some of the technology that the department have, for example the body worn camera, the in car cameras and some of the data and other equipment. So provide better support for the asset that we have there. Overall. If you look at the chart on the right hand side, both 2/3 of that's really supporting the capital is for the public safety and then the other 1/3 is for the organization.

[02:37:38] So that's kind of the quick summary for the new items here. Move on next slide.

[02:37:46] So we want to provide you the summary of the equity spending. Next slide please.

[02:37:54] Here you can see the trend since 2019 and you can see we have a pretty good and gradual increase over the year. And for 2027 we are proposing 13.8 million in equity spending. So here's a quick summary and

then the next slide please. And you can see the detail of some of the key items in the 202627 budget. I just point out a couple of those items.

[02:38:28] And you have all removed the South King and Port Committee fund which is we are Planning to fund 2.4 million next year and also the Duwamish Valley Community Equity Fund 626,000 Language SS Fund 134,000 Anti Human Trafficking 83,000. The one item that I want to point out is the Equity Assessment Implementation 50,000. This one is a new item but it's a kind of follow up of the equity assessment tool that we did this year. So after the assessment we want to have some budget to implement some of the recommendation. So that's the 50,000.

[02:39:14] So next slide please. And then this year we also with the resources constrain efforts and also the budget target for 2027. Our equity in budgeting effort this year include analyzing the impact relate to our workforce, communities, contracting and operations for any reduction of over \$10,000. Most of the budget reduction have no impact to the equity. But there's some feedback from some department and you can see the example here engineer for example I pointed out a little bit earlier they have been a significant cut in outside consultants and some training budget.

[02:39:56] So that probably will have some impact on the operation burden and risk. And obviously we will monitor that and make some adjustment if needed. And similarly for accounting, they reduced some temporary agency surfaces. And so that probably have some impact on the overall workload. And we'll try to adjust those if there's some mischema.

[02:40:20] Next slide, please. So I would like to provide you a kind of quick summary for the committee program for the port. Next slide please. So you can see a gradual increase of the committee overall complete programs from 19.4 million in 2024 budget to over 21 million in the 2026 revised budget. And then the 2027 proposed budget, that's a reduction to about 2 million, 1.9 million reduction to a total of 19.6 million.

[02:40:57] And for a couple of reasons. One is that we finished the payment, the last payment for the Seattle Aquarium. And this year, 2026, the last payment was 400,000. And next year no longer need to make any payment based on the MoU. The other bigger one is really the Fence Water fund.

[02:41:19] We budget 2 million this year in the 2026 budget. But under the MOU, we only obligated to pay 750,000 for 2027. Michael, can I ask a clarifying question? So it's 19 million over a period of time. Like each one of those numbers are over a period of time.

[02:41:42] It's not like each year we're allocating the 19.6 million for 2027 is the budget for next year. Some of the programs, you're correct. I mean, for example, the Sub King County Fund or the Friends of Water funds is over a period of time. So how do we understand that breakdown? Right.

[02:42:01] Because it could appear like, it could look like, I mean some of these dollars could be carried over to the next year and that they're not. All those dollars are not out the door. We actually, each year we have a budget. And for example, one example is the Fence of Waterfront or Seattle Aquarium. Under the MOU we have a amount that we pay each year for five year period.

[02:42:24] So for 2026 budget, for example, we budget 2 million and pay out 2 million to the fence Water Fund. And next year under the MoU, just 700. The port committed to only pay to 750,000. So we put in 750,000 for the, for the Fence Water Fund and similarly for the South King County Fund, for example, we look at, you

know, all the non profit organization that we already have the conchair and we're going to commit to a new contract. And so we have those detail.

[02:42:54] And so we budgeted based on that need for that. So, so you're saying it is, it is Broken down by year. Yeah. So even if we have a five year agreement, the 2020-2025 each year it would only show how much we gave within that contract for that year. So it could be 2, 2 million for five years.

[02:43:13] But 2 million. 2 million. 2 million, not 5 million added it. Yeah, it is the money. As commissioner comment said, it's money out the door.

[02:43:22] Got it. So 19 is going to go out the door. Yeah. If you look at the. If you looked at the whole spend over multiple years you would.

[02:43:28] You could see a total for a number over a number of years. But this is within a given with a given fiscal year. And this is not inclusive of the equity spend that you showed us in the other slide. Including some but not all. Yeah, for most part included the equity spending but not all of them because the equity spending for that one is just for central services.

[02:43:49] This is a port Y. I see Y And then also I should mention that you can see all the detail actually for those information in the appendix. It provide a multi year table there. So that's more detail if you want to see the change over year over year by program by each of those programs. For the port community programs are these like the 19 million, does that account for staff that are overseeing that body of work or are we only accounting for dollars that we're contracting with a community based organization or. Yeah, we include some of that.

[02:44:25] For example, the CPO they have. We have used to have four FTE or four position that funded by tax levy because they're really supporting the contracting for the South King county fund to Homage Valley and so on the program this next year only 3 they eliminate 1 of the position because some of the program already established it. So those are included but not the general other payable costs. It'd be interesting to see what the overhead costs. You could call that overhead cost.

[02:44:58] For instance, what is it costing the port to operate a particular community program that we're investing investing in. Is that two FTEs? Is that like how much of dollars that are not technically going out the door. Right. But we're housing to manage that.

[02:45:18] I'm sure it might be in the appendix somewhere but if you point me to it I'm happy to also look at it. But that'd be interesting because for the listening public I would think you would interpret this as these are like \$19 million that are going directly to some some sort of organization. But that also includes what it costs us to run the programs. And that is. That would be interesting to see how much are we actually getting out and how much are we spending to make that happen?

[02:45:51] Okay, yeah, Commissioner, if I could, if I could comment on that, which is. That's one of the things. So I think this is the right. We can look at that for, for a given year. But it's also that assessment we want to look because some of these programs were maturing.

[02:46:05] So you want to look at that. What are the soft costs or overhead costs in order to do that and is there a better way to do it? And so I think that's the kind of the overall assessment on community programs I think is ripe for us to look at that in order to meet that, you know, that desire to, to be efficient in the spending of

the funds. Is that part of like the 2.0 investment? Yes, Commissioner, that is, that is part of the assessment for the 2.0.

[02:46:28] Looking at that. Okay, thank you. I'll also, I'll also comment that the 19.6 million for 2027 would not be. That number doesn't include some costs that would be associated with managing the programs. So the staff costs, for example, that aren't dedicated just to that program, but where time is spent, that's incidental, wouldn't be captured in there.

[02:46:47] But the dedicated staff times that we should, we can absolutely quantify. And Commissioner Mohammed, some of the details in the slide 43 in the appendix for the list of the audit Committee program there.

[02:47:05] Slide 43.

[02:47:12] Yeah, right here I see. Thank you for pointing me there. I appreciate that. Okay, and then if we can go back to this slide 28, I think. Yeah, 28.

[02:47:28] Next one, please. So this one actually provide you a little bit more detail as well. We look at. This is a summary of the 2027 Port Committee Program by activity. And you can see the category here.

[02:47:45] We basically break it down to four categories here. Equity and diversity and inclusion. About 7.3 million spending. And then the economic development piece is about 5.4 million or 27%. And then workforce 5.6 million or 28%.

[02:48:05] And then we separate the SEA-TAC IRA, which is 1.4 million each year. We have the 10 year commitment, but for the past few years and also for 2027, it's 1.4 million. And then on the right you can see a little bit more the program device contracting, for example, and tourism marketing and GDD partnership grant and maritime bull. All those information there.

[02:48:39] Next slide, please. This very similar chart is really just look at the portion funded by tax levy. So again, the total committee program for next year is 19.6 million and out of that about 64% or 12.6 million are funded by tax levy. And you can see the detail or some of the program on the right hand side under each of the categories here.

[02:49:09] And again you can also see the detail in the. On, on slide 44 in the appendix we include all those program detail.

[02:49:21] Next slide, please. So we want to provide you a kind of a quick update for the Central Surface CIP. Next slide please. Most of the CIP for Central Services is really ICT project. We expect to spend about 1.16 million for 2027 and then 73 million for the next five years.

[02:49:48] And you can see the breakdown by commission of authorized project, project pending for authorization and some small capital project here. So don't need to go into the detail. Next slide is really that. Hold on. So what are we spending \$73 million on in ICT?

[02:50:11] What do we. What kind of project?

[02:50:17] Sorry, I thought you said it was 73 million million. And this is all in ICT. Mostly ICT. Includes ICT. Mostly ICT because there's some other like the feed management for the police car from the engineering vehicle and so on.

- [02:50:32] But for most of the ICT project. And you can see the detail actually in the next few slides. That's also the five year figure. Yeah, right.
- [02:50:43] Want to go to the next slide and show me what you're talking about? So next slide we look at the project that already authorized it. So you can see some of them. The police contract, the system and then Microsoft contract and property management system and so on. So most of those are all of them, I should say ICT project here in this list.
- [02:51:09] PeopleSoft cost \$2.2 million a year and there's a lot of issues. Wow.
- [02:51:20] Yeah. So total 8.9 million for 2027 for the authorized project and 5 years for over 14 million.
- [02:51:33] Next slide. Is the project pending for authorization again next year? 7.2 million for 2024 and then five years, 13.7 million. Again you can see all the detail. Almost all of them are ICD projects.
- [02:51:55] I just want to know. Chair, may I? Yeah, go ahead.
- [02:52:03] Can I connect offline to ask questions related to certain things in the audit committee? Yeah, I think so. Thank you. Yeah. Yeah.
- [02:52:17] Okay. Next slide is the summary of this small cap project. And again most of those are ict except you can see here the corporate feed match replacement. Those are mainly the police procurement and also the engineering and PCs. They have some vehicle and fits that need to either repay or acquire.
- [02:52:42] And so overall 6.4 million for 2027 and 28 million for the next five years.
- [02:52:52] So those are the summary of the IC, the CIP project for the next five years. Next slide please. So here's the remaining budget. Do we have like a. Pardon me, Mr.
- [02:53:08] Chair, may I ask a question on the last couple slides? Yeah. I'm wondering do we have a ranking system of need? Like is the need imminent? Is it, you know, in simple terms nice to have versus need to have on a lot of these really expensive technological investments?
- [02:53:34] Commissioner, I'll be glad to comment on that. These are definitely. We go through that process. There are many more needs, but these are the must have needs that meet that necessary needs that we have. Let me just say in general far past and past years we would look at a larger budget, proposed budget increases, that these are definitely go through a fine tooth comb on justification for these at this stage.
- [02:54:00] We used to have a large number, we used to show you like how many and the value of the number of projects requested now. But now that number is has been decreased and now we do definitely look at these and especially on upgrades, especially in ICT on the both on the resiliency and the safety and security side of things for on that side we are you know, looking at those very closely. But we also you know, know the threat is rising at the same time. So but there is a process that we do and we do look at those the than the ones that they've gone through that process in order to arrive here to propose to you in the proposed budget. And I would like on the timeline.
- [02:54:44] Yeah. And I would like to also point out that almost all of them, if you look at the authorized project item there, almost all of them are kind of system upgrade and nowadays as you all know lots of software system they require update accurately at least every few years, if not more often. So those are more. A lot of those are not new system, whether it's PeopleSoft financial system, maximal property management system and

so on. So all those are the existing systems that require some regular upgrade.

[02:55:21] So just want to point that out.

[02:55:27] Okay, so move on to the last slide which is the remaining budget schedule. So again we'll have the division operating division budget briefing on October 13 and also after that in the last regular meeting in October you will hear the tax levy and job plan of finance briefing and then we'll provide the PERLM budget document to you on September 20th and make it available to the public a couple days later on October 20th. Second you will hear the CPAL lines budget and the budget adoption actually by the managing member on November 3rd and then we'll have the introduction of the budget and the approval of the IRA on November 17 and the adoption of the 2027 budget will be on November 23. And then after that we'll file the statutory budget with the county and assessor's office by the end of November and then release the final budget document in the first week or by the first week in December. So that concludes our briefing.

[02:56:39] Would like to. Happy to answer any further question that you may have. Thank you. Great. Any further questions for my colleagues?

[02:56:47] Commissioner Mohamed, I guess thank you for the presentation. First of all, let me say that and I think the, the timeline at the end is really helpful for people to engage with this a little more a comment. The engineering capacity, to me it's clear through this like engineering lost 23 positions in about 40% of the consultant budget as well. And so that staff's own like equity analysis in here says it will increase operational burdens and risk. And I hear executive director metruck saying that there have been a number of different exercises that the organization went through to bring us to this point.

[02:57:39] And so I'm sure you're very well aware aware of that. So that to me that gives me some pause. Will that slow down on our capital projects? Like what kind of slowdowns will it create and which projects are most at risk? I think we should spend some more time at least discussing that as we go into this timeline and have further discussions on this.

[02:58:06] That's an area of interest for me. And then I guess just a general comment on our own commission office's budget. I always enjoy digging into that a little deeper. And you know, commissioners all have different priorities, elected different times. And so I've said to my colleagues, when it comes to things like adding positions, eliminating positions, we should make sure that that is that we're all made well aware of that.

[02:58:37] And that goes through an approval process. And the EA position in here for the commission office states that it's still under consideration. I support eliminating it. I just want to make sure that we all approve it as a commission as well as travel for the commission office. I think that is good governance and we should all engage in that and just make it transparent for the listening public and the public in general is whatever that's happening out of the commission office should be done in the most transparent way.

[02:59:06] So those are my comments and thank you so much for presenting. I know you guys work so hard to get us to this point. Thank you. Thank you. Terrific seeing.

[02:59:19] No further questions. That concludes our business meeting agenda for the day. Thank you, Chris. Thank you, Michael. Any closing comments at this time or motions relating to committee referrals from commissioners?

[02:59:31] Thank you, Secretary Cho. I think. Yes, sir. Oh, Commissioner, has goa. Go ahead.

[02:59:35] No, no, go ahead.

[02:59:39] I just wanted to wish everybody a very happy Yom Kippur yesterday. I wanted to wish our broader Jewish community Happy New Year to all those who observe and celebrate. Thank you. Steve. Did you have any closing comments?

[02:59:53] Well, just one thing. I just wanted to follow up on Commissioner Mohammad's comment. You'll get that in the aviation budget. We'll look at the capital budget and so we can talk about those things of the ones the, the, the capital programs that we are, we'll be executing and, and talk about the staffing then. Great.

[03:00:12] All right. Hearing no further comments and having no further business, if there is no objection, we are adjourned at 3:15pm thank you.