[00:00:30] This is Commission President Ryan Calkins convening the special meeting of June 23, 2026. The time is 12:07pm we're meeting in person today at the Port of Seattle headquarters building Commission chambers, and virtually on Microsoft Teams. Clerk Hart, please call the roll. Thank you. Beginning with Commissioner Calkins here.

[00:00:50] Thank you. Commissioner cho present. Thank you. Commissioner Felloman. Present.

[00:00:55] Thank you. Commissioner Hasekawa. Present. Thank you. And Commissioner Mohamed.

[00:01:00] Thank you. We do have a quorum established. Great. 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.

[00:01:12] Commissioners will say aye or nay when their name is called. We are meeting on the ancestral lands and waters of the coast Sal Salish people with whom we share a commitment to steward these natural resources for future generations. This meeting is being digitally recorded and may be viewed or heard at any time on the Port's website and may be rebroadcast by King County Television. Please stand and join me for the Pledge of Allegiance.

[00:01:41] 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.

[00:02:00] The first item of business today is 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, it is not necessary to pull the item from consent. Rather, a Commissioner may offer general supporting or opposing comments later in the meeting. 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 be pulled for separate discussion. Are there any items to be pulled from the consent agenda or any motions to rearrange the orders of the day.

[00:02:37] Commissioners? The question is now on the approval of the agenda. Is there a motion to approve the agenda as presented? So moved. Second, the motion has been made and seconded.

[00:02:47] Is there any objection to approve the agenda as presented?

[00:02:52] Hearing none. The agenda is approved as presented. Next on our agenda is a special order of the day. Clerk Hart, can you please read the item into the record and Executive Director Metruck will introduce. Yes.

[00:03:04] Thank you. This is agenda item for a proclamation recognizing June 2026 as Pride Month. Commissioners, before we move into the remainder of today's agenda, I'd like to take a moment to recognize that June is Pride Month, a time to celebrate the contributions, resilience and diversity of the LGBTQIA community, while reflecting on the ongoing pursuit of equity and inclusion. Pride traces its roots to The STONEWALL Uprising of June 1969, a pivotal moment in the movement for LGBTQIA rights. Led in part by courageous transgender women of color and Black lesbian activists, Stonewall sparked a global movement that continues to inspire advocacy, visibility, and progress today.

[00:03:51] As we celebrate Pride, we are also reminded that the work of advancing equity and belonging remains important, particularly at a time when the LGBTQIA communities continue to face challenges in many parts of the country. At the Port of Seattle, we are committed to fostering an environment where everyone feels valued, respected, and able to thrive. Through the work of our Port Wide Pride Employee Resource Group, our participation in community events such as the Seattle Pride Parade, and our broader commitment to equity inclusion, we are proud to stand alongside of our LGBTQIA employees, partners, and communities. With that, it is my honor to invite representatives. I see they're already here.

[00:04:34] From the Portwide Employee Pride Employee Resource Group to read this year's Pride Month proclamation for your consideration. So with that, I'm going to turn over to Director Gaesar of our Office of Equity, Diversity and Inclusion for the reading. Thank you. Thank you. Good afternoon, Executive Director of METRUCK and Commissioners.

[00:04:55] My name is. I'm the Senior Director for the Office of Equity, Diversity and Inclusion. Happy to be here with you and members of Poor White Pride and Transgender Inclusivity Group who bring to you this proclamation to acknowledge Pride and to ask you to please consider adopting your proclamation. The proclamation today. Thank you.

[00:05:16] Thank you. Will be read by Penny Somm, Manager of Process Improvement Program from Office of Strategic Initiatives, Mary Van Biber, Manager of Strategic Business Planning Investments, and Jim Wanick, Senior Administrative Assistant in Maritime Division. Before I turn it over to this group, I just wanted to very briefly share with you my life story, my entire life story today. As you probably know, the Iran and Egypt soccer game on Friday is called the Pride Match, which has presented the media and our communities with very complex issues. And I have been contacted from many, many press outlets around the country, actually from around the world and here in Seattle to ask me, how is it possible to identify both as gay and Iranian?

[00:06:18] And what do I think about a Pride match being the game between Iran and Egypt? And although I think for many people, the intersection of these identities is probably a new one, it is an intersection that I have struggled in my own life for over 40 years. Years when I first came out as a lesbian in this country. And of course, I benefited from the beautiful, beautiful freedom that this country offers for us to identify as we want to. But also all of my life, I have struggled to continue to identify as Iranian, be a member of the Iranian community, and raise kids with Iranian identities, but also as queer family identities.

[00:07:01] And this struggle is not just mine alone, but it's a struggle that many, many immigrants and people of color who identify as queer have faced in their lives. And I think that we embrace both identities, all of these identities, and we celebrate and also acknowledge all of the struggles that's gotten us to this point and the struggles that we continue to face. Pride traces back to June of 1969 from the Stonewall Uprising. And as Executive Director mentioned, one of the things I think very specifically about this intersection that we forget is that the Pride movement started by transgender women of color and that we still continue to be perplexed and confused about the voices of people of color in this movement. But it was Marsha P. Johnson and Sylvia Rivera and other transgender working class women of color who led this movement that led to the first Pride March, and then that we celebrate ever since.

[00:08:07] And although this is the month of joy and pride, and I myself will be in the parade and all of the activities this weekend, I want to acknowledge that today, ACLU, American Civil Liberties Union, is tracking 500 legislations currently that are attacking LGBTQ rights. And furthermore, Trans Legislative, Trans Legislation Tracker is tracking 800 additional bills that are attacking the rights of transgender communities. Some of the things that we took as a given, like the right to marry, the right to identify, the right to participate in sports, are all under attack. And we know that we cannot take any of this for granted. So I myself feel that Pride is a reminder that celebration and advocacy must go hand in hand.

[00:09:00] I appreciate all of your support. I think that the Port of Seattle has done such a beautiful job of creating a Palau Place, place of belonging for our employees who have multiple identities, that we are now a beautiful place that people look forward to getting jobs and joining and being involved in our ergs. So thank you for your support, and I'm going to take it over to Penny Som to start a reading of the proclamation.

[00:09:31] Hello, Commission. Hello, Commission. Penny Som. She her pronouns. Manager of the Process Improvement Program in the Strategic Initiatives Team.

[00:09:42] Whereas the Port of Seattle remains committed to bolstering our public agency's assets and strengths of equity, diversity, and inclusion. True to our Century Agenda goals and our values of respect, anti racism and equity, integrity, stewardship and excellence. And Whereas New York's June 1969 Stonewall Inn riots made history as an early uprising against the police violence that openly targeted communities and individuals across America identified as lesbian, gay, bisexual, transgender, queer, intersex, asexual 2 spirited or more LGBTQIA 2s or trans and queer for short. Those Stonewall protests were led by the Inn's poor trans, black and Latin patrons, joined by homeless youth who lived in an adjacent park. Their fierce fight for the right to live and gather safely, openly and authentically became a seismic moment in the US history.

[00:10:54] And whereas 1970s commemoration of Stonewall included the first Pride March observed by community members in Seattle and several big cities and has since become the worldwide recognition, celebration and political event for trans and queer people it is today. And whereas these communities fight for the dignity, respect, respect, equality, inclusion and belonging continues in our streets, courts and legislative chambers to keep pushing back against deadly attacks, discrimination, police violence and bigoted laws. And whereas despite significant progress for their human rights since Stonewall, this year again brought a growing number of laws and legislation rooted in bigotry, homophobia and aim to deny American freedoms of expression of speech and protected by the Constitution, crucial gender affirming medical care and other life saving forms of education and legal protections. This year the ACLU is tracking 530 such hateful bills across the country, six of them here in Washington and will whereas well loved UW student Juniper Blessing was one of the 10 trans people we know of slain in May of 2026 alone in the US across our country, anti blackness, racism, ableism, massage, noir and misogyny, colorism and anti immigrant hatred interconnects with transphobia and queerphobia to spur increasing physical attacks and erodes protections for fundamental rights and dignity in spaces like hospitals, schools, places of employment, housing and public accommodations. And whereas how trans and queer people form and shape their families continues to be an arena in this fight and whereas people of color may make up 40% of trans and queer adults and of that 1.3 million immigrant adults identifying as trans and queer, 23% lack adequate documentation.

[00:13:17] This intersectionality of multiple identities compounds with the lived experiences of trans and queer migrants, particularly those of color and whereas such experiences spur migration here by those forced to leave home countries or homes in other U.S. states and cities to avoid persecution, state sponsored attack and other forms of violence, including sexual assault and infuriatingly, our own country's machinery of incarceration and deportation tears them from their new homes here to send them back into the danger, deprivation and death they had risked everything to flee. And whereas the Port of Seattle celebrates and values its trans and queer employees, business partners and community members year round and during

Pride Month in part through support of its Pride port, pride and transgender Inclusivity employee groups the Port learns from and lifts up the their leadership as well as they work to keep this employer that can attract and retain its expert workforce through health care equity, gender affirming care, family formation and benefits responsive to the needs of all employees. And whereas because Pride Month is a time to learn about, reflect on and honor the trials and contributions contributions of these community members in their fight for human rights, it is an opportunity for the Port of Seattle to commit to solidarity and allyship to eradicate discrimination and injustices for collective liberation. And whereas the Port of Seattle stands strong against discrimination, threats and deadly violence against trans and queer people, communities, families and allies in in accordance with the Port values and its belief in equality, liberty and justice for all. Now therefore, the Port of Seattle Commission hereby proclaims June 2026 Pride Month.

[00:15:27] Thank you. Thank you to all the readers of our proclamation today and to the Fort Ride Pride Employee Resource Group for their leadership. Commissioners, is there a motion and second to adopt the proclamation so moved? Mr. President. Second.

[00:15:42] The motion was made and seconded. Is there any discussion? Yes, sir. Commissioner Hasagawa, thank you for the work of putting this proclamation together.

[00:15:58] Your words are so powerful and I just want to underscore about how you've captured not just the global and national context, but the local context as well. And whereas we're all too familiar about nationwide, there's a surge in homophobia in a effort to undo the civil rights that we've achieved. There's also a coordinated federal, statewide and local attack on our trans community members. And this should be personal for anyone who it's ever been their family, ever been their community that was targeted for otherization and bigotry. We all know that the federal administration is singling out the queer community, but I want us all to understand how that manifests at home and how that connects to the port.

[00:16:55] Because queer youth specifically are more likely to experience homelessness, poverty, they are the first to be laid off when businesses are making cuts, they are the last to be hired, they are most likely to be unemployed. And they face disparate bias and excessive use of force when encountering law enforcement. This is what the data tells you tells us. So it begs the question of all of us, what does safety mean when the queer community is both more vulnerable and less protected? Director Gaysar mentioned how celebration must be paired with advocacy.

[00:17:43] But advocacy without action is empty. And we right here at the Port of Seattle, through this proclamation, are committed to continued action. I am so proud of the work that we have done to make sure that we are building inclusive facilities, including gender neutral bathrooms, because people of all gender identities should have the freedom to move through public space without fear, confusion or exclusion to make sure that we have period products available to all people because need is not defined by gender identity and neither should access. No matter where you go at the Port of Seattle, if it's a public facility, you'll find the resources you need. We've passed our raise values, we make sure that we're understanding equity gaps and our LGBTQIA2S ERG holds us accountable.

[00:18:49] And I would like to thank you for leaning in and making sure that I personally can evolve in my own journey in ensuring that we are building inclusive language within our inclusive policies. And I thank you.

[00:19:08] So this month with that spirit of pride, let's all commit to leaning on and loving on each other a little bit harder as a port community and as a nation united. All ayes are on us worldwide right now and indeed this match can be the testament to what getting it right can look like. Thank you. Thank you so very much for your leadership, Commissioner Mohamed I second everything Commissioner Hasegawa said and I guess I will be bold enough to follow you. That was a very heartfelt, passionate, real statement you provided and I just appreciate your voice on this commission as well and your ability to always show solidarity when needed.

[00:20:03] I want to start off by thanking you all for bringing this proclamation forward. It's such a beautiful month. I want to thank Director Gazar. You are a friend. Your story is so powerful and hearing I've heard it so many times.

[00:20:18] It brings tears to my ayes every time I think, especially right now, knowing that this match is going to happen. I bought my I'll share a little bit. I bought my nephews four tickets to that game. Hopefully they'll do something really nice for me when I grow up and really old because it took a lot of me to do to buy them those tickets, but they're extremely excited about it and for them to be able to watch the game, but also to experience Seattle in this moment where this beautiful city is going to also be celebrating pride. I want them to be able to see that as well.

[00:20:56] And so I learn a lot from your story and it brings so much value and your story is powerful and your voice is so powerful in this organization and just really appreciated that perspective you shared as an Iranian American, as a queer identifying person. And it was great hearing your reflection also on FIFA and the challenges that also come with that. I want to sincerely thank all of the staff who are part of the Pride group and GRE group and all of the work that you all do to be able to hold this organization accountable. And just these proclamations come before us every year almost and it always is something I look forward to. And it shows just our commitment to advocacy as an organization.

[00:21:46] Your commitment to advocacy, your commitment to uplifting the voices, the diverse voices of those who are part of this organization. And I think now more than ever we do need a more sense of belonging across this state, our region and the entire country and beyond. And so I just appreciate your ability to bring this forward and to help create a safe space for people to feel valued, to feel included. And yeah, I'm looking forward to supporting this proclamation today. Thank you so much, chair for the time.

[00:22:23] Commissioner Fellman, thanks so much for taking the effort and reminding us of the importance of this. And so the old saying, you know, freedom is not free, right? And it's even the greatest hard fought, high profile accomplishments are being we're redistricting black representation out of Congress. I mean, who would have ever thought in our lifetime we would see such huge, no less abortion rights. So there's like nothing we can take for granted anymore.

[00:22:52] So, you know, so Pride really is the advocacy we have to double down. If we're going to evolve as a society, we have to have to at least maintain the civil rights that we have accomplished. So thank you for making that explicit. It's vigilance that is necessary if we're going to move forward. So thank you very much.

[00:23:17] I knew I was going to struggle with this today, but I'm so grateful for the eloquence Bugta and my colleagues and the readers. This is a really important topic for me and it has been a tough year for people close to me. And so it's so meaningful for us as an institution to be a safe harbor. If there's anything I've

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learned, there is no Rubicon that we cross that we're never going to have to fight again once we get some something accomplished. And as Commissioner Felleman stated, we have to keep fighting on all of these fronts.

[00:24:00] And in my role as an ally, I think about what is a healthy masculinity in an issue like this. And I think with whatever power I've been given and podium to speak from and ability to compel an institution like this to do the right thing, I'm going to use that power to that end. And so as we proclaim this today, I want everyone inside and outside to know that we will do everything we can to make sure that the Port of Seattle is a place where the LGBT community, community is safe. And we'll keep fighting on that front, even if all around us, things are going backwards. I want our kids to know that.

[00:24:56] Especially I think, as Commissioner Hasegawa stated, for queer youth in particular, the danger is so real. And we saw that with Juniper. And I think we see it. We don't see it in a thousand invisible ways in which they're impacted. They have to guard themselves in ways that straight youth don't have to.

[00:25:17] And so let's be a model where you can be who you are, you can love who you want to love. And I can't wait to walk with all of you on Sunday and make it clear to everyone who we are as an institution. So thank you again.

[00:25:35] Made it without crying. Thank goodness. All right. Hearing no further discussion, Clerk Hart, please call the roll for the vote. Commissioners, please say aye or nay when your name is called.

[00:25:50] Thank you. Beginning with Commissioner Calkins. Aye. Thank you. Commissioner Chao.

[00:25:55] Aye. Thank you. Commissioner Felloman. Aye. Thank you.

[00:25:58] Commissioner Hasegawa. Aye. Thank you. And Commissioner Muhammad. Aye.

[00:26:02] Thank you. Five ayes and zero nays for this item. And with that, the motion passes. Thank you again.

[00:26:16] Next on our agenda is the executive Director's report. Executive Director Metric, you have the floor. Thank you, President Calkins. Good afternoon, commissioners, and happy Pride Month. Thank you for passing the Pride Month proclamation and to the port White Pride for reading of today's proclamation.

[00:26:35] And also I also want to thank Deputy Executive Director Karen Goon for filling in for me at our last commission meeting as well. I hope everyone had a wonderful holiday weekend. Between the various Juneteenth celebrations, United States men's national soccer team victory over Australia, three cruise ships in port, and a series of Mariners games, the energy in the region was electric, and I am pleased to report that our operations went smoothly throughout the port. In fact, they excelled. We had one day register as our third busiest day in sea's history.

[00:27:07] Just over 78,000 passengers traveling through our checkpoints and several other days that will be on our top 10 list as well. I can remember back when Seattle 60,000 was a lot per day, and now the number's in the 70,000. Despite the historic volume, our screening checkpoints are moving smoothly. And I want to recognize the vision of our staff implemented over the past several years to expand lanes and improve throughout. Especially our federal partners at the Transportation Security Administration for their valued partnership during this very busy time, employees and partners at all our facilities are working around the clock to ensure the continued safety and security of our facilities, both maritime and aviation, and successfully welcome visitors from around the world.

[00:27:56] I also want to recognize our volunteers. In addition to our regular volunteer program at the airport, we created an Ambassador program to help expand our customer service reach at the airport. Hundreds of members of the community and port employees have taken trainings to prepare them for shifts, helping visitors get the most out of their experience here in Seattle and the region. They are having a great experience and learning more about our airport which is a win for everyone. In the first week, ambassadors in our typical 150 person regular airport volunteer cohort spent 120050 hours helping customers in the terminal.

[00:28:38] We are off to a tremendous start with two FIFA World cup games under our belt and four to go with the next one being tomorrow. So I will keep you informed on our progress as we manage these games this week and then the one on Friday as well. Amid all the excitement, we're pleased to expand our international connections as we welcome Aeromexico's new seasonal service to Guadalajara on Thursday. This is aeromexico's second service from Seattle joining their year round service to Mexico City. Guadalajara is also served nonstop from SEA by Volaris, which coincidentally celebrates its 10th anniversary at SEA this month.

[00:29:19] Aeromexico's Guadalajara service is the seventh new international service at SEA for 2026. That's right, number seven.

[00:29:28] Continuing on with aviation, we're looking towards the future for SEA and this week the port began hosting official public meetings, sometimes referred to as hearings regarding the State Environmental Policy act review of our Sustainable Airport Master Plan. We are hosting four meetings this week in an open house format which from our experience offers the public the greatest opportunity to engage in the issues most pertinent to them and meet the requirements for a public hearing under the Washington Administrative Code. These meetings will be held in Seatac, Des Moines, Federal Way and Burien. The public can make official comments on the plan in various languages and a court reporter will be available to attendees if they wish to record public testimony. In addition to these public hearings, we are hosting two online webinars and have already presented at eight City Council meetings and in many additional regional forums.

[00:30:26] Turning to personnel issues, I'd like to Finally, I wanted to update and acknowledge the excellent work of Deputy Chief Tom Bailey of the Seattle Police Port of Seattle Police Department. He's been a critical leader in our FIFA planning and response and Deputy Chief Bailey is retiring from the Port this Friday. Deputy Chief Bailey will be transitioning to his next role as the Chief of Police for the Tucson Airport Authority Police Department in Arizona. It's just a little bit hotter down there, I think. Tom has 32 years of law enforcement experience with half of them here at the Port of Seattle where he's been an officer commander and deputy chief.

[00:31:09] Tom and his wife Tara and their seven kids are in the process of moving down to Arizona to begin this next chapter in their lives, returning to where Tom saw his law enforcement career begin. I'd like to wish Tom, I want to say congratulations on his retirement and I want to thank you for your service to the port and wish him best in this next phase of his career. Commissioners Turning to today's commission meeting, I'd like to highlight a few items on the agenda today. Item 8e completes the design and permitting to advance a critical infrastructure investment in telecommunications services at Terminal 91. On our action agenda today, we will introduce a new bond resolution for purposes of financing or refinancing capital improvements.

[00:31:57] And finally, you will hear the Workforce Development Annual Report and the Environment and Sustainability Annual Report as well. So with that Commissioner, that concludes my remarks. Thank you. Thank you. Thank you for the report.

[00:32:10] Executive Director, we are now at committee reports. Erica Chung, Commission Strategic Advisor, will provide the report. Good afternoon, President Calkins, Commissioners and Ed Metric. On June 16, Commissioners Calkins and Felloman convened the Sustainability, Environment and Climate Committee with one item for discussion, their Environmental and Sustainability Annual Report, a preview to the annual report briefing that will take place later today. Commissioner Felleman and Commissioner Cho convened the Waterfront Industrial lands Committee on June 16.

[00:32:43] The Economic Development team, joined by an external consultant, provided an introductory briefing on their analysis of the shipbuilding, industrial base and capabilities in the greater Seattle area. The Portwide Arts and Culture board met on June 16. Also joined by Commissioner Fellerman. The Board discussed ongoing projects including the Pier 69 mural, the upcoming temporary exhibit at Rail Spur and other projects in progress. The Board also discussed two key documents, the recently completed five year strategic plan and the draft public art guidelines.

[00:33:17] The Board committed to holding additional ad hoc working group meetings to discuss the guidelines with the goal of approving them formally at their next quarterly meeting. This concludes concludes my report. Thank you. Thank you, Erica. Are there any follow up questions regarding the reports?

[00:33:31] Commissioners okay. We'll now continue on our agenda to the public comment portion of our meeting. 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, can you please display the QR code to our public comment rules?

[00:33:53] There are copies of these rules at the door as well.

[00:34:00] And we are going to for our first speaker today, we're going to ask Senator Orwal to come up and then we will proceed to call folks who are in person or virtually for the remainder of public comment. Thank you so much for joining us today. Senator Orwell, please proceed and make sure your microphone is turned on too. Thank you. Commissioner, President Calkins, commissioners, friends, colleagues, thank you for adding me to the agenda today.

[00:34:30] I'm really glad I looked at my calendar because I almost went to the airport just out of habit. So I'm really happy to be here today and I just want to say how proud I am around FIFA and the welcome we've given to people all over the world. It's exciting coming downtown as well as the airport. I remember taking the vote to take down the viaduct and build the tunnel and look what an incredible job that's been done. So, you know, I do know that we're all proud of the work you've done at the airport.

[00:35:01] It is our welcome to people internationally. I fly a lot. I get really excited on Alaska Airline to get my chocolate bar. You know, that's like the highlight of my day. But I do want to talk a little bit about impacts.

[00:35:15] I can't imagine anyone thinks that this airport has no impact on the health and well being of the community. And I guess what I would share with you is that having lived there for many years, raised my kids there,

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talked to community. We carry a burden, but the burden is cumulative over time. Right? It's that plane overhead that wakes up that kid that's sleeping.

[00:35:36] It's the family that can't open their windows on a hot summer night like tonight. It's parents worried about kids with asthma. It's about people with failed port packages that might have failed years ago that have never been replaced. It's about a teacher, you know, who has to pause their lessons because of the planes. And these aren't one time incidents.

[00:35:58] They happen thousands of times a year. We know we have higher rates of asthma. In fact, if you look at a map that the King County Department of Health did, if you look at kids going to emergency departments and you look at our landing path, they marry each other. We have high rates of heart disease, preterm labor. One of the things I really want to share though is I think you can have a thriving airport and a healthy community.

[00:36:26] It's not one or the other. It can be both. You know, this doesn't have to be David and Goliath. This could be a partnership and so I really, the dialogue I bring today is how do we partner on the ways to help the community? Because you want to be a good employer, you want to be a good neighbor.

[00:36:40] And you know, I've really welcomed the ability to bring folks together, your leadership, our community leaders, our cities, to really almost have like a ten point action plan. And when examples are, how do we move forward on fixing these packages? You know, we may have to use some local dollars, right? As we know, are we going after the dollars that Congressman Adam Smith had for five pilots to help start fixing failed port packages that maybe has some grace around the 65 DNL? What are we doing around the aviation fuels tax?

[00:37:15] And can we all agree to have a healthy percentage of that help the community? Right. As those dollars hopefully return to airports, how do we start looking at air quality in our schools, in our daycares, in senior places? You know, we have an asthma intervention study we've been doing with the King County Department of Health and UW and it's been amazingly successful. These kids are getting these medical intervention, they're getting purifiers, they're getting HEPA vacuums, they're using their inhalers list, they're not going into emergency department, they have better attendance.

[00:37:57] There was a young girl a few months ago that was a week away from being in that program and died. You know, this is happening on our watch and it doesn't have to. We can partner on these things to make this community happen healthier and better. So again, I'm here today to say I'd love to partner with you. Our community is in crisis.

[00:38:18] I know you focus a lot on clean fuels. That's awesome. But that's a long term plan, right? Because it depends on where a plane is fueled because that's where the bulk of the ultrafine particles are upon landing. So I really hope we can look at some short term strategies that we can all get excited about.

[00:38:36] And again, thank you for giving me the time today. Appreciate it. Thank you for joining us, Senator Orwell. Really appreciate it. Thank you.

[00:38:45] Clerk Hart, can you please call our next speaker? Yes, thank you. Give me just one moment here and I'll pull up the timer.

[00:39:03] And we'll turn to our virtual attendee calling for Ken Short. Ken, please go ahead and repeat your name for the record and your agenda item or topic related to the conduct of port business you'll be speaking about. And then I will start the timer. Hi everyone, my name is Ken Short. I will be speaking about the sustainable airport master plan.

[00:39:26] Please proceed thank you. Good afternoon, commissioners. I'm Ken Short, the government Affairs Director for transportation, land use and Housing at the association of Washington business. AWB is a statewide chamber of commerce representing over 6,000 businesses from across the state. Appreciate the opportunity today to testify in support of the Sustainable Airport Master plan.

[00:39:46] Washington's economy doesn't succeed in isolation. It succeeds because we can move people and goods quickly, reliably, and at scale. SEA is the infrastructure that makes that possible. And right now, it is running out of room. 53 million passengers moved to that airport this year.

[00:40:04] Our region has to plan for the reality that air travel is not expected to. Is not. Is only expected to increase. Excuse me. And that current infrastructure won't be enough.

[00:40:14] The choice in front of us is whether travelers show up. Excuse me. The choice in front of us is not whether travelers show up. It's whether we're ready for them. Regions that invest in their infrastructure attract business, talent and opportunity.

[00:40:30] The Puget Sound region has earned its reputation as a global hub for innovation and commerce. That didn't happen by accident. It happened because leaders here made the right investments at the right time. This plan is one of those moments. We urge the port to move sample forward.

[00:40:50] Thank you so much. Thank you, Mr. Short. Clerk Hart. Next speaker. Yes.

[00:40:56] Our next speaker is Michael Witty.

[00:41:03] Welcome, Michael. Please go ahead and repeat your name for the record and your topic that you're speaking on today, and then I'll start the timer. Great. My name is Michael Woody. I'm the Chief Engagement Officer Visit Seattle.

[00:41:13] And I'm here to speak in favor of the. The second terminal airport improvements.

[00:41:20] Well, good afternoon, commissioners. Again, I've already introduced myself, but just thrilled to be here in front of you. Visit Seattle's mission is to grow the visitor economy by attracting meetings, conventions, leisure travelers, major events, things that bring people to our region from across the country and around the world. That work depends on an essential piece of infrastructure, and that is the Seattle Tacoma International Airport. SEA is more than a gateway.

[00:41:47] It is a front door to Seattle and King County. It is a first impression for visitors arriving for a conference, for a cruise, for a little sporting event like we're having right now, or a family vacation or international trip to really experience Pacific Northwest. If we want to expand both domestic and international visitation, we need an airport that can welcome that growth efficiently, reliably, with a level of hospitality that our destination is known for. In 2025, Seattle and King county welcomed over 39.7 million visitors to the area, spending $8.8 billion and supporting over 68,000 jobs that send our neighbors to work each day. In addition, it generated over $840 million in state and local taxes to help offset the burden of taxes on local residents and households and support services residents rely on every day.

[00:42:43] But these numbers also show why investment is urgent. The tourism economy is resilient, but it's also highly competitive. Other destinations are investing aggressively to win visitors, conventions, international routes and major events. Seattle can't afford a standstill. Brazil.

[00:43:00] With SEA already welcoming over 53 million passengers annually, the demand is projected to grow. And for visitors, congestion at the airport is not just an inconvenience, but it shapes deciding where they will go next. The Port of Seattle has done a lot of great work maximizing existing facilities, and we appreciate the improvements being completed ahead of events like FIFA. But long term opportunity is more than just for one event. It's about positioning Seattle and King county to compete for decades for visitor growth.

[00:43:29] Thank you. Thank you, Mr. Woody Clark. Hart. Can you call our next speaker? Yes.

[00:43:35] Our next speaker is Barton DeLacy.

[00:43:42] And Barton, when you're ready, please just go ahead and repeat your name for the record and your topic, and then I'll start the timer. Barton Delacy. I'm longtime resident of Des Moines. I'm also the START representative for the city of Des Moines, and I serve on our airport Advisory Committee. And I'm also now the chair of the Des Moines Planning Commission.

[00:44:11] And I'm here to express concern voiced by members of my community, including both neighbors and more involved citizen volunteers, that the Port of Seattle's Sustainable Airport Master Plan environmental assessments are not responsive to actual airport noise, collateral traffic, and the health effects of planned airport expansion. And further, that the South King county communities of Des Moines and burien, if not SEATAC and Normandy park, are disproportionately impacted compared with more affluent communities in north and East King County. In fact, there may be environmental justice issues. Given the emerging demographics of migrant communities east of Pac highway and in south central Des Moines, and having attended START meetings now for the past year, I have found them informative. But there is little opportunity for feedback or discussion.

[00:45:13] And I can speak for a number of us. We feel like we are little more than an amen chorus to the port staff. We understand airport expansion is inevitable, so our focus has been on mitigation and remedies for disproportionately impacted communities like ours. We recognize that the acknowledged effect from the airport expansion cannot really be mitigated. Hence, we think the Seattle Port Commission must start to think about just compensation for Individuals and communities that will be disproportionately and adversely impacted as the facility grows and otherwise benefits the whole region.

[00:46:02] Thank you. Thank you, Mr. Lacy. All right, that concludes our signups for today. Is there anyone else present on the teams call or in the room today who didn't sign up but who wishes to address the Commission?

[00:46:20] Okay. At this time, I'll ask the clerk to please give a synopsis of any written comments that we've received. Good afternoon, Mr. Commission President, members of the Commission, Executive Director, Metric. For the record, we've received four written comments for today's meeting. These have been distributed to commissioners in advance of the meeting and will become a part of today's record.

[00:46:40] The following people submitted correspondence in support of SAMP as part of the public review of the CEPA Draft Environmental Impact Statement. That's Maria Hackerman from Lufthansa Group. Dennis Sills from the Downtown Seattle Association. The following person submitted correspondence with a list of signatories asking the Port to extend the public comment period for the SAMP Draft CEPA Environmental Impact Statement from 60 days to 90 days. From Linda Wong.

[00:47:08] And that concludes the written comments we've received today. 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.

[00:47:25] Items removed from the consent agenda will be considered separately immediately after adoption. Is there a motion to approve the consent agenda covering items 8A through 8E? So moved. Second, the motion was made and seconded. Commissioners, please say aye or nay when your name is called.

[00:47:43] For approval of the consent agenda, beginning with Commissioner Cho. Aye. Thank you. Commissioner Felloman. Aye.

[00:47:50] Aye. Thank you. Commissioner Hasegawa. Aye. Thank you.

[00:47:54] Commissioner Mohamed. Aye. Thank you. And Commissioner Calkins. Aye.

[00:47:59] Thank you. Five ayes, zero nays for this item. With that, the motion passes. Today, we have one new business item. Clerk Hart, can you please read the item into the record, and then Executive Director Metruck can introduce it?

[00:48:12] I can. I will just take a moment to note that I did miss a written comment for Robert Thomas, who submitted correspondence in support of agenda item 11b, environment and sustainability projects, including the Miller Creek Restoration Project, the East Waterway Cleanup, and in support of shore power at cruise berths. He also supported using the engineering and maritime professional community in King county to deliver on environment and sustainability goals. Our new business Item, Agenda Item 10A, Introduction of Resolutions Number 3851, a resolution authorizing the issuance and sale of subordinate lien revenue bonds series 2026 A and B in the aggregate principal amount not to exceed $400 million for the purposes of financing or refinancing capital improvements to aviation facilities, setting forth certain bond terms and covenants and delegating authority to approve final terms and conditions and the sale of the bonds. Commissioners this item provides funding to help deliver major airport improvement projects and keep important investments moving forward.

[00:49:18] The financing will also replace an interim commercial paper borrowing source with a longer term funding solution. The 2026 subordinate lien bonds will also be issued as variable rate debt which helps which provides certain benefits to the Port as it looks to manage costs, maintain financial strength and continue investing in the infrastructure needed to serve our region. The presenters this afternoon are Chris Wimsat, the Chief Financial Officer remotely. Then Scott Bertram, Manager of Corporate Finance and Angie Rose, Principal Financial Analyst are here to present as well answer questions. So with that I'm going to turn it over to Chris Wimsat.

[00:49:59] Perfect. Thank you. Executive Director, Metruck Good afternoon. Happy Pride Month members of the Commission. So as mentioned, this is Chris Wimsatt, Chief Financial Officer.

[00:50:08] I'm joining from Salt Lake City today. You're joined in the room by Scott Bertram and Angie Rose. For consideration today we have we can move to the next slide. Introduction of Resolution 3851 for the sale and issuance of subordinate lien revenue bond series 2026 A and B. As you likely recall, the Commission recently approved a refresh of the Port's subordinate lien in April and it was to facilitate the expedited or the expected addition of new variable rate debt.

[00:50:38] So this item today is the anticipated addition of variable rate debt and that debt will take two forms. The first will be variable rate demand bonds in an amount of approximately $225 million that will be issued on a tax exempt AMT basis, AMT being the alternative minimum tax. These bonds will have interest rates that reset daily. And the second tranche of the variable rate debt will be a direct bank loan for $120 million for which interest rates will reset weekly and we can move to the next slide. So as you're aware, the primary funding source for capital projects at the Port are revenue bonds.

[00:51:18] 95% of our current debt portfolio are fixed rate fixed rate bonds. Which is which is logical coming out of a low rate environment, it was important that we lock in those low rates. But as we enter a rising and more volatile rate environment, staff have been looking for opportunities to increase our exposure to variable rate debt for several reasons. First of all, for some risk hedging, but also due to our ability to lower our overall cost of capital capital and so we can move to the next slide. I'm sorry, point of, point of, I guess personal privilege.

[00:51:54] You are speaking in like a different language. It's all financial speak. I'm going to ask that you speak a little slower. Thank you. Okay, sure.

[00:52:05] So the, the, so variable rate debt is, is a tool that's used unlike, unlike fixed rate debt, which has the same interest rate over the life of a loan, variable rate debt has debt that resets at a given interval, whether it be weekly or daily or there are other intervals as well. And variable rate debt has some risks and it has some advantages. And so what I want to do is talk a little bit about the risks associated with variable rate debt and also talk about those advantages. And the next slides.

[00:52:41] So overall the cost of capital is kind of an approximation of the overall interest that we pay on all of our debt portfolio combined. And variable rates reset frequently. And those rates, those variable rates mirror the rates on the shorter end of the municipal yield curve. And so because shorter term debt carries lower time related risk, it also has typically a lower interest rate. In this case, the, an approximation of the interest rate that we would pay would be related to an index known as sifma, which is the securities Industry and Financial Market association index of municipal short term rates.

[00:53:27] So that's the blue line on this chart is the SIFMA 10 year rolling average, which is, which is the, the variable, a variable rate, that's, that's the index that the variable rates will track. And the red line here, that's a little bit more volatile, that's mmd, which is the municipal Market data index of long term rates. And so when long term fixed rates were at historic lows as they have been for several years after, you know, coming out of the financial crisis, and then again after the, after Covid, it made sense for us to increase our, to increase our exposure to lock in those long term, those long term low rates. It locks in longer term lower borrowing costs. But as rates start to go up, that savings that becomes available on the difference between those long term and those short term rates make variable rate debt more attractive.

[00:54:23] It becomes an opportunity to pay an overall lower interest rate. And we can move to the next slide.

[00:54:32] There are some other benefits associated with variable rate debt. First of all, it allows us to match our asset and liability risks a little bit better. Right now we carry interest rate risk primarily in our investment portfolio. And what interest rate risk is is it's basically the risk that rates will go either up or down in a way that we can't predict. And so interest rate risk in our investment portfolio is primarily the risk that rates will go down and we'll earn less on our investments by increasing our exposure to variable rate debt.

[00:55:11] On our, on our debt portfolio, the risk associated with fall, falling interest rates will be offset by the reward of having lower overall interest payments. As a result, the, and then the same thing happens on the other side. If interest rates go up unexpectedly and our borrowing rates spike as a result, we'll also have investment income that's in that we're able to invest our portfolio at those higher rates and earn a higher income. So exposure to variable rate debt in a, in a calculated way is a, is a pretty good way to hedge against interest rate risk. Another advantage of variable rate debt is that it's pretty flexible.

[00:55:51] And so some variable rate products provide flexible principal payments. And we've actually been able to take advantage of that flexibility just recently during COVID And I think Scott's going to cover kind of some of the specifics of what we did, but it allows us to in some cases defer payments or in some cases prepayment debt in order to take advantage of a rate environment that might pose other opportunities. So overall, the rates in the PORTS investment portfolio move similarly to rates on the variable rate debt. And that's, that sort of represents the source of the, of the hedge and so we can move to the next slide.

[00:56:35] So overall rate volatility is a risk. And so what we can see here are the. This is 25 year, a 25 year look at SIFMA rates. SIFMA being that index that targets the shorter end of the short end of the yield curve for the municipal rates. And what we can see is that there is some volatility in rates.

[00:56:57] And at points, particularly during points of extreme economic distress, like during the Great Recession or during the COVID crisis, SIFMA rates did spike. And so we do retain interest rate risk, but again exposing, giving ourselves in our debt portfolio. Exposure to variable rate to variable rate debt helps us offset some of that risk, though not entirely. There's also an additional risk that is born with variable rate debt called remarketing risk, which we, which the team has very effectively mitigated through the negotiated structure of the debt. And I'll let Scott get into that as well as we progress through the next slide.

[00:57:41] So I'll turn it over to Scott, Bertram Scott, before you jump in. I think we've got a couple of questions from commissioners. Go ahead, Commissioner Hasegama.

[00:57:55] So.

[00:57:59] Can you explain to me how the exposure to a variable rate actually mitigates the risk when we know that our crises are coming faster and closer together? They're not coming at 10 year intervals. Actually we talk about it all the time, how it's either a trade war or a cyber attack or liberation day or global pandemic. So how is it that exposure to a variable rate mitigates risk? Sure, that's an excellent question.

[00:58:35] So, so right now we carry all of our interest rate risk on the investment side of our, of our balance sheet, so in our assets. And so when interest rates spike or drop, we don't have any kind of an offsetting factor to, to mitigate that exposure. So for example, right now, if rates were to drop pretty significantly, we have our investment portfolio averages about $2.3 billion. And our treasury team was able to generate over $80 million of investment income for the port from that portfolio last year. If rates were to drop suddenly, we would, we would see a pretty significant decline in the investment income that we receive from, from that investment portfolio.

[00:59:26]

If we have very. By having exposure to variable rate debt when, when we experience that drop in investment income, we're also taking a portion of our capital funding that either way, we, either way we'll need to issue bonds to pay for these projects. This takes a portion of that capital funding that we finance through bonds and it creates an exposure to that same interest rate risk. But it's on the other side. So at the same time, we saw investment income drop in our, in our investment portfolio, we would also see interest payments drop on the interest that we pay on the outstanding bonds.

[01:00:04] Okay, that makes sense, right? Absolutely. And it would be the same thing on the other side. So if interest rates went up, we would see our borrowing rates, we would see our interest costs increase, but we would also see the investment income from the investment portfolio increase at the same time. Thank you.

[01:00:23] Sure.

[01:00:27] Please proceed, Scott. Thank you, Chris. And good afternoon, commissioners. So as Chris noted, these 2026 subordinate lien bonds are expected to be issued in two forms. We've got some variable rate demand bonds or VRDBs as well as a direct bank loan.

[01:00:42] Could we get the next slide, please?

[01:00:45] So, looking at the VRDBs to begin, which will be issued as series 2026A in the amount of 225 million, which will be used to fund eligible airport capital projects in the fall. In October, the finance staff briefed the commission on the port's five year CIP and associated funding plan. As Chris noted, revenue bonds are the largest funding source for the AIRPORT cipher, with an estimated 3.8 billion, which is estimated at 3.8 billion over the next five years. These 2026 AVRDBs will fund a portion of that CIP. And in the Appendix we listed several AIRPORT ongoing AIRPORT projects that may be at least partially funded with these bond proceeds.

[01:01:27] Just as a reminder, the Port has flexibility to redirect bond proceeds to other eligible AIRPORT capital projects, but actual spending on projects remains subject to to commission authorization. Next slide please. So provide a little additional background on VRDBs. Specifically, these are long term municipal bonds that pay interest at a short term rate that resets periodically. These are common variable rate product within the municipal finance industry and the Port has actually utilized VRDBs on multiple occasions and still has outstanding one series of VRDBs issued back in 2008.

[01:02:04] The port's VRDBs are supported by a credit enhancement in the form of a bank standby Letter of Credit. This has the effect on investors that they're effectively purchasing the bank's credit because they have the bank's guarantee of payment of principal and interest. The Port competitively solicited Letter of Credit proposals this spring and selected a direct pay Letter of credit from bank of America, whom the Port has had a credit support relationship with going back 25 years. So we've had a good track record of success with the bank and with this product. So just talking briefly about the interest rate Mechanics behind the VRDBs, could we go back one slide?

[01:02:51] Sorry about that. So as opposed to fixed rate bonds that have interest rates that are fixed at the time of the bond sale, VRDBs are remarketed periodically, they're shorter term in nature, and they're reset based on market supply and demand. So basically think the minimum rate necessary to remarket the bonds in a public market. The Port intends to market the 2026 AVRDBs initially in a daily interest mode which aligns with current investor preferences and supported by strong investor demand. The VRDBs will be multimodal, meaning the Port will have the ability on a monthly basis to change change the interest rate reset mechanism if it needs to, or to convert to fixed rate should circumstances warrant.

[01:03:36] Next slide please. So Chris covered the primary benefits of the variable rate debt, including the asset liability management hedge, the historically lower interest rates, the flexible repayment terms. All of those apply to the VRDB specifically. I want to turn your attention to the right hand side of this slide to talk about some of the underlying risks associated with VRDBs and to highlight some of the tools that the port utilizes to mitigate those risks. One of the primary risks that Chris noted associated with VRDBs is remarketing risks.

[01:04:11] So problems in the capital markets broadly, or problems within the loc, their credit specifically, can reduce investor demand, which in turn would increase interest rates to the port. Failed remarketing of VRDB require letter of credit bank to pay the investors. The port then in turn must repay the bank pursuant to the terms outlined in a reimbursement agreement. This comes at a cost to the port in the form of higher interest rates. So we actually have a good example of this.

[01:04:42] During the global financial crisis in 2008, we saw some volatility on interest rates on the VRDBs. And as the financial crisis grew in duration, the port had broader concerns over bank letter of credit, the bank letter of credit market in general, and its ability to obtain or negotiate favorable credit terms with the banks. So in 2010, we actually refunded some of variable rate demand bonds into fixed rate bonds to manage those risks. So Another risk on VRDBs comes in the form of port credit downgrades, specifically on the subordinate lien where these bonds will be issued. Such downgrades can potentially increase LOC fees owed to the bank.

[01:05:24] We do negotiate the bank agreements to ensure that such fee increases are manageable and appropriate. And it is worth noting that even during the pandemic, the port was able to avoid a credit downgrade. In terms of mitigation, you know, the agreements that we have in place with the banks are very carefully negotiated. We've got a big team with a of lot, lot of ayes on and history to ensure that these agreements are suitable for the Port of Seattle. We ensure that within these documents that there is adequate time to cure problems constructed to provide long lead times before higher bank rates were to kick in and before we're required to make any principal payments.

[01:06:04] And another tool Poor can use to mitigate risk is to diversify its bank and its variable rate pro product exposure, which provides a good segue to the next slide, please.

[01:06:16] So the second variable rate product we're pursuing is a direct bank load which will be issued as series 2026B in the amount of 122 million. As Chris noted, this will be used to refinance outstanding commercial paper that was issued in early 2025 to fund the $125 million acquisition of the International Place Office Cons complex. This will have the effect of freeing up the entire $250 million active CP facility to be used on airport CIP funding over the next year. We are anticipating next summer to having quite a large bond issuance. This year is a little bit more modest because we've had big bond issuances the last couple years.

[01:06:58] So next year it's shaping up to be a much larger one. We may use CP in the short term to bridge us into this time next year before we come to market on probably a larger fixed rate deal. The bank loan was also competitively solicited this spring with the Wells Fargo loan proposal. Selected interest rates on the loan they actually reset daily based on a market index plus a fixed spread. That index is the Secured Overnight Financing rate or sofr, which is the industry standard variable rate index for taxable debt.

[01:07:30] The bank loan has an additional term of five years and at the end of five year term the loan can be renewed or extended. With Wells Fargo replaced with a new variable rate product or refinanced with fixed rate bonds, the Port has the option to prepay or refinance after two years without penalty. Next slide please. So looking at some of the benefits and risks associated with the bank loan specifically, same benefits that were discussed on the VRDBs apply to the bank loan as well. Additionally, the bank loan has a few additional benefits to the port.

[01:08:03] First of all, it can be executed in the it is executed in the private market, which results in a little faster loan execution and lower issuance cost to the Port compared to the Port's typical bond issuances in the public markets. The taxable bank loan also comes with fewer regulatory and compliance requirements and it's quite a flexible tool. And perhaps most importantly, the bank loan provides additional diversification to our debt portion portfolio. Unlike VRDBs, the bank loan is not subject to market risk, remarketing risk, or any bank credit risk. So any broad capital market disruptions or another banking crisis would not impact the bank loan in the same way it might.

[01:08:43] VRDBS so we talked about some of the risks refinancing risks as discussed, at the end of the five year term the Port will need to extend or refinance the loan. One of the tools we have to mitigate this is we very carefully manage our loan and letter of credit expirys. We'll have five in total and we stagger them so that we only have one expiry each year so they're not all piled on one year. Then we also have the port downgrade and default risk. Loan costs paid to the bank would increase if the Port's subordinate lien credit is downgraded.

[01:09:18] And as a mitigant, you know, we manage our finances prudently. We're very, very mindful of maintaining our strong credit position and put great effort into ensuring that our ratings remain strong. And with that, I'll turn it over to Angie to cover the remaining slides. Thank you, Scott. Good afternoon, commissioners.

[01:09:37] Resolution 3851 is issued pursuant to the new subordinate lien Master resolution which was adopted in April of this year and delegates authority to the Executive Director to approve the sale of the bonds for delegation limits. The maximum PAR amount is $400 million, which covers both the VRDBs and the bank loan. Bond sale must occur by July 14, 2027. VRDVs will be sold on the public market by Goldman Sachs and the loan will be directly placed with Wells Fargo. Can you go next slide in terms of next steps, we anticipate final adoption of this resolution at the next meeting on July 14.

[01:10:19] We are targeting to have the bank loan closed the week of August 10th and the VRDVs to close the third or fourth week of August. This concludes our briefing.

[01:10:30] Thank you so much, Commissioners. Any questions at this time for staff? I have a couple. Commissioner Cho, real quick. So this VRDB refinancing will account for what percentage of our or total debt as an organization?

[01:10:48] Well, it's not a refinancing. This will be new proceeds, this will be new debt. So it's 225 million on the total debt portfolios. 4 or 5 billion. So it's like 5%.

[01:10:59] Yeah. Okay. Pretty, pretty modest. And then with regards to the SOFR index that the loan, the, the loan is being issued based on, how does that, what does that rate relative to the SIFMA or even other broader indexes? Yeah, it's a great question.

[01:11:19] So I looked yesterday as just a comparative what an all in cost would be. So on the vrdb, which is issued on a tax exempt basis, we're looking at indicative prop pricing around 3.112% on the VRDBs on the bank loan, which is taxable. So that's the big driver of the difference. Indicative pricing is around 4.4 to 4.5% right now based on SIFMA plus the spread. Sorry?

[01:11:49] Based on SOFR plus the spread. And you said the spread was, what was the spread? 2%. Is there a fixed spread? It's a fixed spread based on the Wells loan.

[01:11:58] Yeah, it's about 84 basis points. On the Fed five year loan. Yes. Okay. One other question that I Had was I'm looking at this graph that you put together on our port investment portfolio versus variable rate index.

[01:12:13] Do you have a graph that shows the port investment portfolio rate versus our fixed rate index? We can put that together. Can you pull that slide back up? I just want to make sure we're looking at the slide and has our portfolio ever outperformed the fixed rates of our debt?

[01:12:31] Say that last part one more time. Has our portfolio ever outperformed in terms of returns relative to our fixed rate loans? We can get that information going back. We have all of the data. I mean we rates go up and down.

[01:12:47] We issue bonds in low interest rate environments and high interest rates environments. We don't have a lot of control over that. And so that's part of the reason we're looking to do add variable rate exposures just to manage that hedge. But we can. Bayen Campbell does a great job of managing our investment portfolio and we could put some information together to track that more closely.

[01:13:05] But yes, two more questions. One is why are we limited to fixed rate investments as an organization? Is that a state law or are you talking about on the investment portfolio? I think. I don't know if Diane's here.

[01:13:19] She was going to actually come down, but we can gather that information. Yes. We have a policy that dictates what we're allowed to invest in and we have goals in that policy and safety is forefront of that policy over yield, for example. Right. We're making sure we have asset preservation and we're not losing our capital.

[01:13:40] So that's probably a question for Diane, but we can get. Yeah, I would love to learn exactly what our policy is on for an investment portfolio. I think relatively speaking, our portfolio has done relatively well. But from a broader market perspective, like a 2 to 3% return is not that high. Right.

[01:14:00] And so we can broaden what we are allowed to allocate our assets to. We can see a higher return on some of those assets. And I don't know if Chris has any opinions about this, but. But I do think that for us to outperform some of our debt obligations, we should think about being able to allocate some of our assets to more higher yielding financial products. And the last question that I had is one of my concerns with variable rate debt is if we have a situation where the yield curve inverts.

[01:14:34] And so I don't know too much about the stiff machine rates, but what is the correlation between CEFMAS rates and if the yield curve were to invert. Chris, you have your Hands up. Do you want to tackle this one? Well, I was going to, I was actually going to speak to the, to the previous item about the investment performance. So I think.

[01:14:56] So we're, we're, we've got state laws fairly prescribed on limits, on limits to the public entity investment. And then there's also a separate port investment policy. And I do think there has been some, there have been some efforts to kind of expand the available set of tools that we can invest in to include, you know, some very highly rated corporates. I think overall, one thing that, one thing that I keep in mind is that because the primary purpose of our investment portfolio is, is liquidity, most of the investments that we make are really steered towards the sort towards the shorter end of the curve. And so returns are going to usually mimic.

[01:15:36] Our returns are usually going to kind of mirror the indexes that point to the shorter end of the curve. As far as the yield curve inversion and its effect on some of the shorter term rates. Yeah, certainly, you know, the overall effect of a yield curve inversion is that shorter term rates are higher than some of the intermediate and longer term rates. And so to the extent these indexes track shorter in the short end of the yield curve, it could cause spikes in the variable rate that are disproportionate to what we would see on the longer end where the fixed rate tracks. But again, the idea would be that we can, we're also benefiting from an inverted yield curve in our investment portfolio at the same time.

[01:16:22] Yeah, I guess that was my main concern with this transition to short, short term yields is the potential for inverted yield curve. And part of my concern is because I think we're overdue for a recession here and we might find ourselves in a situation where we see an inverted yield curve because things aren't looking so great right now with all these tariffs and the economy being questionable, with the employment numbers being what they are right now. And so I guess I missed the part of the presentation. How long are these? Is it a five year term?

[01:16:58] I forget what the, the VRDB specifically, they'll be a, I think 25 or 30 year bond, but the letter of credit that supports it will be three years. They'll be remarketed initially daily and then we can look to refinance, you know, into the future if we choose. It's not, it's not the right product. I will say this. I think your question is a little bit more about timing.

[01:17:18] Right. And I think that's fair. I don't have a crystal ball on Interest rates, you know, and nobody does. If you actually look at the Fed and which direction they're going to, like you've got half, it's really split. Right.

[01:17:30] Like, we don't know which direction rates are going to go. When we look at our debt portfolio, I think we take a holistic view at it. We know that, you know, in our debt policy we say we have upwards of 25% of our total debt portfolio can be variable rates or less than 5 right now. And we've been trending this direction for over a decade. And as Chris noted, it made sense when we had historically low fixed interest rates, there was no, you wanted to lock those in.

[01:17:54] You knew that maybe in our lifetime we won't see rates that low again. But as those have started to tick up, it looks a little bit more attractive. And at some level, we're agnostic. We simply want to manage that exposure, we want to add exposure because we know we're going to get the benefit on the side, other side. So, yes, it may hurt us on the liability.

[01:18:12] We'll get it on the asset side on Diane's portfolio, or vice versa. So, yeah, I think, like my thinking on this, I mean, and I totally understand the prioritization of liquidity and risk or mitigating risk. I think given the situation we are generally at from a fiscal standpoint here at the port, you know, to me, this, this right here is a way for us to kind of break even, so to speak, like for it to be a wash. Right. And I think that works as far as this strategy is concerned.

[01:18:45] Yes, like we are going through a variable rate, going to a variable rate, but that which will be offset by the same variable rates that we'll see in the short term from our investment portfolio. I think going forward, though, I'd love to see how we can leverage our investment portfolio portfolio to generate a surplus of returns that can then be reinvested into the port. And I know we're talking about debt today, but from an investment portfolio perspective, how can we generate higher returns that can then recapitalize our projects or even pay back our debt sooner? Right. And so rather than having the mindset of let's preserve liquidity and mitigate risk and break even on debt versus investment, what are some creative ways for us to still mitigate the risk, obviously, but also increase our returns to 5, maybe 6% so that Delta can then be reinvested into some of what we're doing?

[01:19:40] I think this is part of one of the many strategies we can look into to try and generate new revenue for the port. And so it would be great if you all can get back to us on how flexible are we as an institution in the types of products that we invest in so that we can. So we can generate some outsized returns for this institution. Understood. Any other questions, Commissioners?

[01:20:08] My question is transaction costs. When we issue these kinds of bonds and ask a bank to essentially do it for us, how do we know that we're getting a good deal, actual commission fees that are. That we have to pay to generate these bonds? Well, we have a. We have a pretty robust finance team, a financial advisor who's able to see comparable bond issuances in the market.

[01:20:40] Both of these products are widely used. They're not, you know, there's some uniqueness to the ports specifically, but generally, you can find comparable products out there with other issuers and compare rates to make sure that we're, you know, sort of in line. So we have a team that, you know, will look over that to make sure that we are in line, and, you know, we always are. But. Yeah, so, I mean, I think that's.

[01:21:03] That's usually the. This data is out there. You know, we can. We can see what. Especially on the fixed rate side, we were able to see exactly, you know, what sort of transition transaction costs are out there and they have in flow.

[01:21:15] But yes, we have. We have visibility to that data and know that we're in line. Okay, great hearing. No further questions. For this item.

[01:21:23] Is there a motion and a second to introduce resolution number 3851? Second. Ah, double jinx. Moved and seconded. All right, commissioners, is there any discussion, further discussion or debate on this item?

[01:21:41] All right, Clerk Hart, can you please call the roll for the vote? Yes. Thank you. Beginning with Commissioner Cho. Aye.

[01:21:48] Thank you, Commissioner Fellamon. Aye. Thank you, Commissioner Hasegawa. Aye. Thank you, Commissioner Mohammad.

[01:21:55] Aye. Thank you, Commissioner Calkins. Aye. Thank you. Five ayes, zero nays for this item.

[01:22:02] With that, the motion passes, and Commissioner Muhammad. No. Okay. All right. We are now at presentations and staff reports.

[01:22:11] Clerk Hart, please read the next item into the record, and I'll turn it over to executive director metruck to introduce it. Thank you. This is agenda item 11A, the 2025 Workforce Development Annual report.

[01:22:27] Commissioners, today's briefing highlights how the port is connecting more people to quality jobs while helping ensure employers have the workforce needed to support a growing airport, seaport and regional economy. It's very timely given our discussion earlier this morning. Our investments in workforce development have helped more community members across Career opportunities, strengthen partnerships with employers and educators, and expanded services in near port communities as industries continue to evolve. This work positions the port to help build the talent pipeline needed for future growth in aviation, maritime, construction and emerging sectors. Looking ahead, the focus remains on creating clear pathways to family wage careers, aligning workforce efforts with industry needs, and ensuring the benefits of the port's economic activity reaching communities throughout the region.

[01:23:17] And we have a number of presenters this afternoon. We have Anna Pavlick, the Director of Workforce development. Is Carl here? Is he. He's homesick.

[01:23:25] Okay. Carl Hugo is not here today, but he's part of the workforce. Lizzie Horton, Workforce development manager and Robert Brown, Workforce Development manager. So I'll begin with Anna. Thank you, Executive Director, Metruck and Commission.

[01:23:41] Given that last presentation and that I think about career pathways all day, every day, it's just amazing to me that I'm not called to a finance career. But I am so glad that we have really dedicated staff here at the port who are and you all as commissioners and leaders of our organization, I'm incredibly thankful that you are called to your pathways and that you demonstrate through your actions daily as well your commitment to our workforce both here at the port and with all of our partners. So Anna Pavlick, she her pronouns. Workforce development direct director. Pass it to Leslie.

[01:24:22] Hi, Leslie Horton. I use she her pronouns. I'm a workforce development program manager and data analyst and I focus on the aviation sector. And I'll pass it to Robert. Hello, Port Commission.

[01:24:32] Robert Brown, workforce development program manager and data analyst for maritime and green jobs. So I will attempt to fill Carl's shoes today. And we also have in the audience Faina Yayowi, our new contract and budget specialist. Faena, you can raise your hand. We're so pleased to have her.

[01:24:47] So, next slide please. We're here today to present to you our 2025 annual report. We'll walk you through who we are. We've had a little bit of a shift this year. Want to make sure you understand our services offered, our 2025 impact and where we planned ahead.

[01:25:03] Next slide, please. So in January, we transitioned from the Office of Equity Diversity Inclusion over to economic development Development. We have slightly shifted our mission statement to evidence that change by positioning the Port of Seattle as an economic engine through strategic partnerships to develop a skilled diverse workforce to access and advance import related careers. Next slide, please. And that transition is really about working to balance the scale between our efforts, our investments on the supply side, so the the workforce side and the demand side, our employer partners and ensuring that While we've built incredible partnerships in our community through the leadership of Buktik ASR in equity, diversity, inclusion and preparing New York communities for these career opportunities, we also now under our fearless leader Aybung Jukta, able to focus as well balance the scale on employer demand and ensuring that we are preparing, preparing people for jobs that exist today and planning for the future.

[01:26:08] Next slide please. So with that we want to share a little bit about what we're up to. This continuum of service you see on the left shares all the different kinds of services that we provide through our investments and our work in the community. And that picture on the lower right hand side is of a tour we took some school counselors, high school career counselors, our partners at the Muckleshoot and Suquamish Nation to Fisherman's Terminal. Thanks to the help of harbormaster Rootsur Perez, they got to meet fisher folks and learn about different career pathways into fishing.

[01:26:50] And that's one example. Next slide please. Of the continuum of services across shared vision, shared success in this organization. I am incredibly proud of our partnerships internally across the organization. It goes everywhere from those kinds of port tours that I talked about yesterday or sorry on the last slide, to all the career connected learning in high schools with maritime high school commitments through your leadership as a commission.

[01:27:19] The commitments you've made in South King and port communities fund our work with HR in internships, not to mention engineering, with our adult training and pre apprenticeship and priority hire retention and advancement. And of course at SEA with all of the upskilling work done around aviation maintenance, ground support and security. You'll hear more about it in a minute. Last but not least is ongoing strong partnership with external relations that that Robert will speak to related to our Career Navigator program. Next slide please.

[01:27:55] So what are we up to as a team? Well, I know it's difficult to read all this text on the slide, but we wanted to share with you that in 2025 on the left hand column, the items in black were programs that were in existence when we started the year. The light blue is what we added over the course of the year. And certain programs show up in multiple areas because they cross multiple services. And in 2026, 27, a look ahead, we in the dark blue on the right hand side are making many additional investments primarily in maritime under your leadership last September, authorizing funds to really lean into the shipbuilding repair maintenance efforts that will happen in hopefully in the near term in terms of public policy at the federal level, but also just planning here at the local level.

[01:28:46] And I just want to note here that the red box around Career Connected Learning is really to say we have strong partnerships in OEDI under BTIS leadership with the South King and Port Communities Fund. So we have done less there as a team because there are so many other investments 2 million a year into exploration, preparation, launch for young people and adults. So that's why you don't see as many there for us on our workforce development team. And lastly, we've made all of these program improvements and additions without additional staff and without additional budget. Next slide please.

[01:29:29] So not only are we expanding our portfolio of programming, but we're also expanding our roles doing more not just in terms of investment, but advocacy at the national, state and local levels, convening stakeholders and one area we plan to grow more in is around commitments from individual employers who can commit to providing job site tours for young people, getting into classrooms to make sure curriculum meets employer needs, etc. Next slide please.

[01:30:03] So as we've been expanding programming in our role, we've been leaning on so many of our partners in new ways. So we've had a number of partners who for a very long time like Port Jobs at the top of our beautiful tree here. Thank you to our external relations colleagues for this help. Visually, we've had organizations like Port Jobs that have had part partners of Boeing, Alaska Airlines, DSHS and E. Casey for many years and have committed external funds upwards of $400,000 a year to support the programming that your leadership our efforts have put in place. We see so many other partners across the region who we have sat down with and we've made shared commitments about how the services that will benefit our nearport communities and our partners Employers can be leveraged with other dollars.

[01:30:55] And one of the biggest developments is around the work source, the Workforce Development Council bubble. There you approved earlier this year a competitive exemption to go into partnership with the Workforce Development Council to ensure they could bring the state and federal dollars to the table for our new maritime investments, which Robert will speak to. Next slide please. So 2025 accomplishments getting into what did we actually do? We saw in 2025 an increase almost across the board in comparison to 2024.

[01:31:31] Over 1,700 folks got jobs, internships and apprenticeship placements which was a 14% increase. We had a big increase also in serving people who live in the low equity areas of King county via our equity index and we held steady at 89% supporting Black Indigenous people of color with all of these career services. We saw a slight decrease in training which Leslie will speak to in her comments. And also a really big increase in the number of employers who hired participants from these programs. Next slide, please.

[01:32:08] And so we've seen that our investments have led to some really great outcomes. And before we get into some of the individual sector outcomes, we wanted to share that, really, when we connect with our community partners, we know we get great results. We've had proven programming that's lasted over time. We've had great convening and much more to come come. But we also see threats.

[01:32:36] The volatility of the labor market's been brought up. Commissioner Cho, you just brought it up. We know that these next few years, and hopefully just in the short term, that volatility will have a huge impact on our communities and also all of our community partners and our education partners as they navigate AI, as they navigate the fluctuations in job openings. Not to mention that many of our partners, especially in the nonprofit sector, are really dealing with some difficult times in terms of funding stability, instability. And as we grow, we want to continue to work with more employer partners to help fill in some of these gaps in public funding, in philanthropic funding.

[01:33:24] And that will take dedication and time, time and resources from you all as you help us advocate with our maritime and aviation employers and others, but also just concerted effort across the board. Next slide, please. So I'm going to speak a little bit to the overall construction market. So in 2022, you authorized funding for us to be able to invest in pre apprenticeship and other apprentice supports in construction, and the labor market was chugging right along. But in 23, we definitely saw a slowdown in hiring and has continued through this year due to the office construction weakening, inflation, tariffs, et cetera.

[01:34:12] Yet public construction continues to be a refuge for folks who are looking for employment in construction here at the port. In 2025, we saw record numbers of hours worked on our port projects with over 795 apprentices working across crafts. And we know we have big capital investments coming up. So we plan to continue investing in pre apprenticeship, investing in apprentice supports, because we know those are critical services to help ensure that our communities gain access to these careers and can stay working. And all of our contracts are performance based investments in construction.

[01:34:57] So as the downturn continues, we evaluate on a very frequent basis. Next slide, please. And for example, in 2025, over 159 people enrolled in training and 83% graduated. 132 folks, 56 were placed last year. The majority, the vast majority, were bipoc.

[01:35:23] And the numbers for women were Increasing. We partnered with engineering and continue in our look ahead to be more closely tied to the contractors who are building our port facilities and ensuring that they are hiring graduates. Benefits from these programs are looking at a regional workforce demand analysis and also revamping our leadership development program. Next slide please. And with that I will turn it over to Leslie.

[01:35:54] And as we make that statement, we've got one question. Great, thank you for that. And seeing that the explicit KPIs for construction is really invaluable. And I'm just wondering, is this due to our, you know, our sort of requirements of you know, or goal setting for the unions that are taking the things that we have to achieve at least a certain amount? This like it's, it's not so much our program, but it's our requirement.

[01:36:25] Tell me how that we're not just like funding the apprentices ourself. Right? It's. Well, explain for me, would you mind Aubree, moving to the prior slide? Thank you.

[01:36:36] So we had apprentices making up nearly 7, nearly 17% of all work on projects covered by our project labor agreement last year. And again, that's the hard work of our engineering office. Yes. State policy around apprenticeship and then our implementation of apprenticeship on, on our construction projects I think has a huge impact on construction companies ability and willingness to hire these new entrants into the industry. Does that answer your question?

[01:37:09] I'm just wondering from a financial perspective, isn't this more of like the result of a strong policy position versus us paying for interns? Us paying for apprentices? Yeah, that's what I meant. Yes. So we.

[01:37:25] So if I'm understanding your question correctly. Yes. We're making investments in this pre apprenticeship training. Those folks because of their connections, because of the connections of those training programs to unions and other hiring employers. Yes.

[01:37:43] They get 12 weeks of on the job training that prepare them for those careers that other folks do not get. They have a leg up to get started. So. Right, so we're making them employable. Exactly.

[01:37:55] And so. All right, so in addition to setting that ILA agreement, we then fund this so that money is coming straight out of the tax levy. Correct. And so can you just help me understand how much was that in terms of the overall construction? Because for construction.

[01:38:18] Yes. So let's see here. 2025. So our overall investment portfolio is three and a half million. I. I'm going to have to get back to you on the exact amount for 2025 for construction, I believe it was.

[01:38:36] Yeah, I'm going to have to get back to you Well, I mean, it's an extraordinary output. I mean, and so, you know, as a public agency, I'm not saying we should pay only so much per head. The net result is fantastic. But I think in terms of all the KPIs we're looking at and deciding kind of the investments we want to make into the future, understanding what came in and what came out, and ultimately to the career connected portion that is so important to track. Agreed.

[01:39:04] We're working on return investment, return on investment analysis because yes, we can look at the wages earned and we can say the training really doesn't cost that much. You know, it's about 5,000, 6,000 per individual. So that, that is a great return on investment, especially when, you know, they can get on public

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projects like Port of Seattle in this labor market. So regardless of the total, you're it's costing about 5 to 6,000 per person. Seems like a pretty good investment.

[01:39:39] Thank you. Commissioner Mohamed, thank you. And thank you for the presentation and for your work. This first slide, I think, or maybe the second one that you started with, was about the shared vision and success across the organization. I think it was really helpful to be able to see all of the investments that making as a port.

[01:40:01] My question is around, are there specific steps being taken now to make sure that there's coordination among those programs or are we simply just tracking and saying here are what's all happening in the organization? I feel like there's some silos that exist, but I don't know if that's the you guys are breaking down those silos or if some someone is already working on that. If you could share a little bit more about what how that shared vision and success is actually playing out. Happy to. It's slide six.

[01:40:39] We not only convene internally on a regular basis across a number of programs.

[01:40:48] I won't bore you with the number. We have a number of meetings. Yeah. So we meet with talent connections in HR and they convene folks from across the organization around supporting the internship programs and all the career outreach requests we receive from so many community partners asking for Port of Seattle staff to show up, offer tours, site visits, et cetera. So we ensure they've got a tracking system to ensure that a collection across the organization.

[01:41:19] We're keeping track of all the outreach events we attend and coordinating across our team. So that's on the outreach side. When it comes to the career connected learning, we work in close collaboration with the South King and Port Communities Fund that's making so many wonderful workforce development investments. So we meet with them regularly. We ensure that we're.

[01:41:43] When it comes to internships, specifically, we're working with the Maritime High School and Raisbeck High School students to support them while they're here and connect them to so many of the program resources when they graduate to ensure continuity. And then we've just. Leslie will share an example. We have had our Aviation Security training as a brand new program. We've.

[01:42:09] Leslie made sure she brought in the Aviation Security team to help advise on the development of the solicitation, the evaluation of it, and now the implementation with our college partner. Those are a few examples. And then of course, with External Relations, Robert will also speak to our joint funding of the Duwamish Valley Career Navigator. That's helpful. And then I saw that it might have been on the next slide that there's a number of navigator positions, the taxi driver Career Navigator, the SEA childcare navigator positions that were added on in 2025.

[01:42:44] And some of that was commission priority. And I have gotten some information from you all on how that's playing out. I don't know if that's going to be part of this presentation. I don't want to get ahead. It will.

[01:42:55] Okay, I will hold my question then. I just wanted to know, like, how is that working and how many participants do we have now? Great. I'll pass it to Leslie. Wonderful.

[01:43:05] Thank you, Commission. All right. Well, so our aviation slide. There it is. Okay.

[01:43:13] Well, for our 2025 demographics, you can see that we have some extremely diverse numbers and very exciting job placement. Over 1600 jobs at the airport. This is testament to the deep and meaningful work of our partners at Port Jobs. In terms of our look ahead for 2026, we do anticipate the airport employment center, which is operated by Port Jobs, moving to the stock building, which is now owned by the Port of Seattle. So that will be a key change.

[01:43:46] Our Aviation Security Bridge course is launching, which is really exciting. I've been with it from the very beginning. And we do now have a launch date for the inaugural course of August 11th. Highline College was the contract recipient of the competitive process and they've been creating a stellar course in partnership with Port Jobs and the Port of Seattle. And we also want to give a big shout out, as Anna mentioned, to the Aviation Security team at sea, especially Jonathan Guy.

[01:44:20] That team was really instrumental in helping us to design this course and to make sure that it's meeting industry standards and that it will be meeting the needs of the students who are interested in taking the course. The Child care navigation program is continuing to grow under port jobs. Meticulous work. We do anticipate. Well, we do plan that we will be requesting the renewal of the child care navigator funding in the 2027 budget.

[01:44:52] And this wasn't part of the presentation, but since you just asked, we do have some numbers for the child care navigator. From July 2025 to May 2026, in total, 125 airport workers who are in need of child have followed up and met with the Child Care Navigator. 50 of those in total have submitted applications to the Washington Connections website, which is the portal to help folks obtain subsidies and childcare and food benefits, et cetera. And of those, 35 have received subsidies thus far. It's a very slow process.

[01:45:30] So 35 in that short period of time is, is actually a very impressive number.

[01:45:38] So. And then on this current slide. Oops, sorry, I forgot my last bullet. The continuation of the taxi employment navigation program is providing services. The International Rescue Committee or IRC is providing these services to interested taxi drivers.

[01:45:56] It is optional and they are helping taxi drivers to to add tools to their taxi driver toolkit and or to explore employment in the four port sectors. My favorite part of the slide to the right is very important because to me this really shows the trajectory of starting from training to finish. This group of five individuals up here were all SEA workers in some way and they engaged in the bridge course, the aviation maintenance technician bridge course at the airport. They all then elected to go on to the long term eight quarter course at South Seattle College. And what they're holding in their hands is their graduation certificates after their eighth quarter.

[01:46:44] Aviation maintenance technicians. So they are basically positioned to go into a new career. You might recognize the woman in the red is Sally Munoz. She came and actually spoke to you last year at our last year's annual presentation to the commission. At that time, Sally was a student in training and now she's a graduate and she is on her journey to become an airplane mechanic.

[01:47:11] Also notably, the individuals on each side, the gentleman in the blue and the gentleman in the gray, were rideshare drivers at the time when they entered the bridge course. And so they have embarked on a new career journey which is very exciting. Next slide please.

[01:47:28] All right, this is a fantastic graph that shows our job placement numbers and training completions for the airport employment center from 2021 and 2025. You will notice that in 2024 there was a difference and

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hiring that is attributed to the cybersecurity attack that the port experienced as well as a natural Softening in the job market at sea, which does happen. And notably this data which is collected from Port Jobs also matches data that we have received from the SEA badging office. So the trends are mirroring each other. I also want to call your attention to the blue, blue line, the training completions.

[01:48:12] So it actually, it looks like there's an uptick and then kind of a dip. But in reality, what that is, in 2021-2023, our region saw an influx of new arrivals to this region. First it was the Afghan humanitarian parolees and then it was the Ukrainian war refugees. And essentially those folks were coming in great numbers and seeking jobs. And so they were visiting the port jobs CITA badge class and they created essentially an uptick.

[01:48:46] So what looks kind of like a flare there is really attributed to those new arrivals. And once those groups stabilized in their job placements, essentially that returned to sort of the average or baseline number of placements. And finally, these QR codes here on the sides will take you to our fantastic aviation Maintenance technician and ground support equipment videos which talk about those career pathways, the bridge course at Port Jobs and the wonderful training courses at South Seattle College. So thank you. And with that I will pass it to Robert.

[01:49:19] Thank you, Leslie. And hello again, Port Commission. So as we move into maritime, this is an area where we're continuing to build stronger connections between community, our training programs and employer development. So you'll see in 2025, the Youth Maritime Courage supported 23 internship placements. Out of those 23 internship placements, 90% of participants identified as BIPOC, 29% as female, and 74 came from 74% came from economically distressed zip codes.

[01:49:49] Maritime High School also continues to be a key and valued investment for the port. Serving 121 students. 49% of those students identified as BIPOC. And the first graduating class of Maritime High School is now moving into college. Further maritime training and the maritime workforce.

[01:50:07] We also see a grow in Core Plus Maritime with their added STCW safety certifications and new educator engagement through Puget Sound Educational Service District. The big key key takeaway here is that maritime pathways take time, but we are slowly but surely finding the right exposure points, training programs and employer connections needed to move adults closer to accessing these careers. Next slide please. So in 2026, our focus is really shifting towards stronger adult maritime workforce programs, specifically in Shoreside careers. And so the new iteration of the maritime career launch brings together the Workforce Development Council of Seattle King county, also known as the wdc, South Seattle College and anew and together to create a more coordinated pathway to take adults from outreach and training to placement and retention.

[01:51:04] So that starts with the Workforce Development Council conducting outreach, recruitment, case management support and implementing direct participants participants support such as incentivized stipends throughout the programs so participants can sustain themselves while completing rigorous courses. Then South Seattle College implements their six month welding program that gives individuals the right type of technical training skills needed to be employable and in demand for various maritime employers in shipyards, regionally and locally. Then the new serves as the maritime workforce liaison which is designed to bring in more employers to this effort, coordinate job openings and make sure that graduates have a more coordinated path towards job placement after they graduate the program.

Ultimately, our investments and our goals are that our investments are tied directly to industry demand and that we're also adding the support services needed for participants to again complete the rigorous and intense courses that welding has to offer. So when they get out of the program, they're ready to be employed and stay employed in the maritime industry.

[01:52:19] Next slide please.

[01:52:23] And here is just a quick video of what it looks like in our Maritime Welding components cohort. For the first cohort at South Seattle College from the perspective of a few current student participants, We're just buffering for a moment to get that video to play. We had invited a number of participants to come and present with us today, but they're busy working or in school. So this video.

[01:53:09] I'm hoping to just get an entry level job and just looking to explore a career in welding. I wasn't very good at school so I tried welding and it was super fun. Also pays weld. I got interested in the program because I've always been into doing hands on work. I like welding a lot because there's a high skill ceiling and lots of opportunities.

[01:53:30] Sipens has helped me with the program because I don't have to worry so much about working another job. I can focus on welding. The siphons helped me get here because I live kind of far away so it helps me pay for gas as well as a car equipment. After the program, I'm hoping to get hired at bigger industries doing maritime welding.

[01:54:01] So again you can see just in the small frame what our investments look like in real time, helping young adults gain the confidence and skills needed to move closer to these maritime career careers that are in demand.

[01:54:15] I just want to see the logo at the end.

[01:54:19] And with that I move us to green jobs, which I think the big highlight for our green jobs efforts in 2025 was the launch of our Duwamish Valley Career Navigation Service and this work really brings together and helps connect Duwamish Valley residents to career support port services in port related industries. These services started in quarter three of 2025 and last year we were able to connect 13 participants to these services in 2026. Our efforts are to double down on our outreach and recruitment in the Duwamish Valley and ensure that even more participants and residents from the Duwamish Valley are getting connected to these opportunities. A great example of of our work is the Port Pathways hiring event that occurred last spring. This as pictured at the bottom right of the screen, we brought in Snow Co. Shipyard in Fremont that's leading hybrid electric vessel construction to share their entry level opportunities directly with the Duwamish Valley.

[01:55:23] These are the type of community connections that we're looking and working to multiply with. Bringing aviation employers, construction employers and maritime employers with green job components and letting them present their entry level jobs directly to Duwamish Valley community members. That way the Duwamish Valley community is aware of these opportunities and can take advantage of these opportunities early on. Next slide please. And again, this brings us to our shared vision, shared success, which again, the idea is that we're moving away from standalone programs and more towards a cohesive workforce system that aligns outreach, training, placement and retention collectively and really complements the four stages of career connected learning rather than having them operate in silos.

[01:56:15] We understand also that we don't need to reinvent the will. We know that our South King of community Fund partners do a lot of workforce engagement and outreach as well as our state funded and federally funded workforce partners. We also understand that we need to make sure that we do not, we do not lessen the standard and that our training investments are hitting industry standards. And so that means leveraging our employer partnerships with maritime employers, construction employers, aviation employers, but also our port contractors and port tenants to create more tangible opportunities for our communities to take advantage of like site visits, like workplace learning activities and ultimately more hiring events like we saw last fall. And ultimately stronger data and reporting is going to be imperative for us.

[01:57:11] Understanding where we go from here, what we double down on and where we pivot and to really make sure that our investments are creating advancement and equitable access to these port related industries. And next slide please.

[01:57:27] And these photos kind of show why we do the work we do every day. Workforce development is one of the clearest ways the port can create or use economic activity to create real opportunity for local communities. And that's quite a mouthful, but I'll say it one more time. You know, workforce development is one of the clearest ways that the port can use economic activity to create real opportunity for local communities. We want to thank you, Port Commission for just your unwavering support throughout our efforts and your continued support leadership during these times of uncertainty.

[01:58:07] We really know that it's important that more now than ever that we're investing in communities. And if the port is continuing to invest in major industries, then workforce development is one pivotal way that local communities can take advantage of the outcomes of these investments. So again, thank you very much. This adjourns our presentation and we'll be happy to answer any questions. Thank you.

[01:58:29] And I'm going to go ahead and open it up for comments and questions from commissioners at this time. I have a couple jump in. Again, thank you for the presentation. That was really helpful. And Robert, I couldn't agree with you more.

[01:58:43] I think this is inspiring work, workforce development and a great way for us to make real impact in our communities. I wanted to go to to slide 14 on the aviation graph. It basically I wanted to know, so these numbers that are on slide 14, is that port jobs number or is that all of the organizations that are doing aviation placement as a collective? Can you break this down a little bit? Sure, yeah.

[01:59:18] These are numbers from Port Jobs they partner with. I think it was over. Let's see, what did we put? They partnered with over several hundred organizations over the course of the year. And anyone who might be co enrolled who went through port jobs, these are the numbers that.

[01:59:40] So then are they paying those organizations from funds that we provide? I'm trying to understand how our dollars are making this particular impact and what they're using from our dollars to be able to get these numbers. If I remember it correctly, these numbers were a lot lower several years ago. And so it's great to see that. But I'm trying to understand how the changed.

[02:00:13] So there are organizations funded by the South King and Port Communities Fund that do support folks to getting employment at sea. They work in partnership with port jobs and there are times where they will be co enrolled. So there may be pieces of services that Port Jobs can offer that an organization may not. Or at minimum it's port Jobs, you know, introducing them to all of the employers and opportunities at the airport. So the numbers have gone up.

[02:00:48] I mean, I think hiring, you know, just increased at the airport in 2025.

[02:00:56] And there are many organizations. Yeah. That probably are providing services outside of our funding that I'm not even aware of. But port jobs, actually the number is they send the list of Job openings to 851 Community based organizations and colleges just last year. So they are getting the word out about these hiring opportunities to many, many organizations.

[02:01:20] But we are only tracking those that are placed into employment per our contract with port jobs. Okay, yeah, because it's that contract piece when they're co enrolled. I just don't. The numbers that I'm most interested in seeing is the numbers that we are funding. So they're not.

[02:01:39] An individual who's co enrolled in another program is not being counted twice. Right. Or you know, like I sent you the application and now you're reporting back, you know, numbers from maybe another caseworker at another site is, is providing services to. And so a breakdown of that is more helpful I think. You know, when you look at the Maritime Youth career launch program and the numbers that Robert, you showed the placement is 23.

[02:02:09] So I feel like it's accurate to say like there needs to be more work around trying to place more people and you can see the story a little more clearer. But when numbers around CO enrollment gets reported, it can be a little confusing in knowing, you know, what numbers, what the actual numbers of people being served through our specific contract is. So I would be interested in a breakdown of that. Yes. Well that's why Robert mentioned in that last slide that our data systems need improvement.

[02:02:43] Right. The ultimate goal would be we're all tracking via the state employment security database so that there are no duplications. Right now it's incumbent upon someone who walks into port jobs office to say they're being served by another organization. And not everyone, you know, thinks of that when they come in for services. Not everyone mentions those co enrollments.

[02:03:06] So there is more we can do. I agree. To work across our partners. And so we've been implementing data sharing agreements as a way to make sure we're really clear with our partners about the expectations we have around them sharing data with each other and with us. I think it would be interesting too to look at data that has been shared even with us from a few years ago to compare the most recent data that has been shared and see if there's what those comparables look like.

[02:03:36] And I would just like to add, you know, poor jobs, they hold an incredible commitment to these demographics, to serving bipoc individuals. They are, I think they talk to me monthly about increasing the number of women that are being served in these programs and are getting jobs in these career pathways. And so they have really worked very strong strategically over the many years that they've been in business to increase these numbers and to broaden the base of who they are serving and how they are serving people. They're serving very strategically in order to help, you know, they want these numbers to be high. They want these numbers to be representative of those that should, you know, be receiving services to get into these great career pathways.

[02:04:28] And I would say, you know, there is a difference between the maritime industries and construction and the hiring that does happen at SEA Airport. There is many of these jobs are entry level jobs and then the career pathway trainings are in the airport and available for airport workers once they are there. So whereas in maritime and construction, they're taking those trainings up front, which takes a longer period of time. Time and more dollars to, to train. I understand that.

[02:05:00] And then they get, you know. Yeah, so. Yeah, so it is a bit. That's a lot. All I'm saying is the numbers that come before us and the data should be broken down so that it's clear.

[02:05:11] Yeah. So that we know the investments that we're making and how many people it's actually serving. But the mission and their vision and the impact, I totally understand. I mean, my mom was an airport worker. Maybe she went through airport jobs.

[02:05:24] I don't know that part. Like I understand that. But we still need that data broken down. And even when we're saying there are organizations they're partnering with, is it. Are we sending an email to those organizations or are they actually funding those organizations from our dollars to help with that navigation piece?

[02:05:44] Because that's the other thing that we hear in our community, communities a lot of the times is there smaller organizations, for instance, are being asked to do navigation work, but are not paid to that to do that navigation work. And so for us, it's helpful to have a breakdown of that when we're in those conversations. That makes sense. And I think it would be very easy for me to be able to, after the fact, after this meeting, to put together something to show you that would be able to give you that comparison for past years. We do have that data.

[02:06:13] So we, we can commit to that, appreciate that and appreciate the presentation and all the hard work that's going into this and our partners who do the work on the ground. Thanks, commissioners. Any further questions? Commissioner Feldman? Well, thanks again for all the work.

[02:06:29] And as I was saying, also when we. One of the things that was great, you're talking about pulling together all the threads of folks that are involved with this as so, hats off to you. It's like I've told you from the day I got here, everybody says, you know, workforce, and everybody's got their own idea how to do it. And it seems to me that we now are having a hub to bring together all those disparate but well intentioned efforts together. So I just really want to express that.

[02:06:59] And to Commissioner Mohamed's point though, it also makes it more difficult to try to tweeze out what piece is ours. But it's really important to know. So it's a lot of investment and how we can, you know, as I was saying before, even with other government agencies, how we can consolidate, we all know the problem, so we can do that. The other thing is like I've always thought somewhat in the maritime at least that we sort of sold maritime jobs somewhere on. That's like you can make a lot of money, but you don't need a lot of education, right?

[02:07:35] And you know, maybe for a summer job. But like, if I want to have a career, you know, as far as I'm concerned, it should be interesting, it should be something that holds you. And it's not just, I mean. Well, first of all, like Nori, just talk about having smart hands. I love this concept, right?

[02:07:55] You know, it's not like you're not educated. Try to cut a corner someday, right? Or especially on a boat where they don't have corners. Anyway, so one thing is celebrating, right? Smart hands.

[02:08:07] But the other thing is like metalworking, for example, I have a couple of friends that are metal sculptors. And you know, like, you see the King county gate right downtown, that it moves, that all the birds and flowers. My friends did that. It's like not just phenomenal, it's functional, right? And so I just was kind of thinking that like, you know, having folks like that to be able to say, look what metal can be, right?

[02:08:35] You know, the kelp out here that metal can flow in the water. It's unbelievable, right? And you can build a hull that it's not just the hull, it's look at the ship ultimately that's being built. I mean, you're just. Nobody wants to sit on a factory line just turning a nut.

[02:08:51] You want to see what you're building, right? So I just kind of think that we can celebrate the innovation that's in this industry and the technologies that people have the ability to advance. And so I just kind of think it's not just you have to be low educated and make a lot of money. You know, it's just to me, that's not the sales pitch. And we're all fans of this industry and so I think we get it.

[02:09:17] But if we want to reach out and that makes sense. And the other thing. So when I just came back from Alaska, the guys from jag, they said there's, you know, you can, you know, as many welders as you can produce, you can employ. That goes without saying. So welding is.

[02:09:33] But there's like a dozen other trades associated with shipbuilding. And so while I totally get it, why it's like the other thing you tell your kid to get into vertical construction. What is that? Elevators and escalators. Guaranteed job for life.

[02:09:48] I think welding is currently in a similar world. But I look at, I've seen CAD drawings of a cruise ship electrical system. The idea that anybody could do that is just remarkable. I mean, I think there's a of lot level of awe that could be seen in the technologies that are out there. And anyway, welding is a good first step into it, but it's really the product that I think we can really celebrate.

[02:10:16] Thank you.

[02:10:19] All right, I just wanted to highlight the opportunity you mentioned, SNO and Co. And I just wanted to highlight, we had an opportunity to go visit Executive director Metruck and I, along with a number of folks both in the room and from around leadership in the port. And while it wasn't. We weren't explicitly there about workforce development, it was the topic that really generated the most interest. And you know, from a standpoint of a growing shipyard in the central Puget Sound is one of the real choke points. And so I think if nothing else, it highlighted the importance, you know, it is an area where the market fails.

[02:11:01] And so that is oftentimes the best role for government to play. And so I think the port can step into the breach. And with the ultimate goal being creating the kind of economic activity for our region that results in really great jobs. And we saw a lot of them in that, from engineers working in front of computers using incredibly sophisticated software, to machinists working with laser cutters. I think my favorite expression of this last year is this idea of new collar jobs, which is what we saw at Snow, where you have these folks who are absolutely trained to weld, but now they are both welding and setting up machines to do the dirty, dangerous and drudgery type work that a machine can do so that the craftspeople can do the really intricate and skilled work.

[02:12:00] And so really great experience to just see what it actually means in practice when these programs are successful. And I'm excited to hear about potential expansion of welding programs like the one at Vigor. I know there's some ideas in the works there. And our partners in Whatcom county with Ann Avery and at the Northwest Maritime center and Core Plus, I think there's a lot of effort and it doesn't feel like the issue right now is scarcity of resources, but just getting these things supported from in particular the federal government and align toward a common goal. So thank you so much for the presentation.

[02:12:44] All right, Clerk Hart, can you please read the next item into the record and we'll have Executive Director Mattrick introduce that one as well. Thank you. This is agenda item 11B, the 2025 Environment and Sustainability Annual Report.

[02:13:01] Commissioners Environmental Stewardship and Stability. Sustainability remains central to the Port's triple bottom line and are commitment to being the greenest and most energy efficient port in North America in 2025. We continue to make meaningful progress across our environmental goals through investments in decarbonization, habit restoration, sustainable infrastructure, water quality, waste reduction and community partnerships. This work reflects a comprehensive strategy grounded in leadership, collaboration, innovation and accountability, while ensuring that the benefits of a healthier and more resilient environment are shared throughout our communities. Today's report highlights both the accomplishments achieved this past year and measurable progress we are making towards our long term environmental and sustainability goals.

[02:13:45] The presenters this afternoon are Senior Director of Environment and Sustainability Sandra Kilroy, Director of Aviation, Environment and Sustainability, Sarah Cox and the other Sarah, Director of Maritime Environment and Sustainability, Sarah Auger. So I'll turn it over to Sandy first. Thank you. Good afternoon Commissioners and Executive Director Metric. Thanks for that introduction.

[02:14:09] Today is our moment to share with you the Port's annual Environment and Sustainability report. It is hot off the press here and so after the meeting I will distribute copies to you. And I think it's important to say this is more than just numbers and initiatives. It's a reflection of our values, our progress and our commitment to building a better future for our communities, our stakeholders and our planet. And this year we have made meaningful strides, reducing our carbon footprint, improving resource efficiency and strengthening our partnerships with for social impact.

[02:14:49] And none of this would have been possible without the dedication of our employees, the trust of our partners and the feedback from our customers. Next slide.

[02:15:02] Our strategy is really rooted in our bold vision and goals to influence environmental actions not just locally, but nationally and internationally. We want to collaborate with state stakeholders to tackle these complex challenges that we have. And it's important that we utilize solid data and clear information to drive our actions. We keep an eye on equity Working closely with our neighbors and value stewardship and seeking and leveraging opportunities are all core strategies that we employ. Next slide.

[02:15:41] Our vision is straightforward and this slide has a lot of words on it. It's the same words we've been sharing with you year after year. Because the ultimate vision and where we're headed doesn't change from one year to the next. We are building a port that is not only an economic engine, but one that is resilient and a model of environmental stewardship well into the future. And as executive director metruck mentioned, our triple bottom line of people profit planet is strong.

[02:16:11] And our vision for sustainable and resilient port is championed by our leadership, all of you as commissioners, and embraced by our employees. And I was struck at a recent service awards lunch how many employees referenced the port's environmental values and actions as a part of their satisfaction in working here at the port. And it certainly made me feel proud of the work that we are doing. And it shows that we have set a solid course. We have a vision.

[02:16:41] We have robust strategic plans, clear actions. And these are brought to life every day by the dedicated employees across the port who share our profound commitment to this environmental work. Next slide.

[02:16:57] So 2025 was actually a challenging year. We saw a significant pivot away from environmental work at the federal level. Again, proud to say that the port values held strong. And for us, we saw a lot of accomplishments in 2025 toward our goals. We had new records in shore power utilization on the waterfront and preconditioned air at the airport.

[02:17:24] We advanced critical habitat restoration. We continue to bring in funding to support our work, made progress with our waterfront clean energy strategy, EV charging, sound insulation, and completed critical multi year permitting actions both at the airport and on the seaport with the maritime maintenance programmatic. And you are going to hear from Sarah and Sarah, some details on all of these actions. Next slide. Next slide.

[02:17:55] So every year we report under consistent categories and with consistent set of metrics. And so for this year, these are the reporting categories that you will see in the annual report. I think it goes without saying that reporting our successes and challenges provides transparency for ourselves and to our public and gives us the critical information and feedback that we need to make better decisions in the future. So we really use this report to share our progress, to share how we're doing against a set of metrics and hope that it helps inform us as we move forward. And with that, we're going to launch right into it.

[02:18:39] And I'm going to, we can go to the next slide. Thank You. Good afternoon commissioners and executive director. I'm Sarah Ojay, the director of Maritime Environment Sustainability and I'll be walking through some of these categories that Sandy just introduced. It is really a pleasure to be here today and come back to you each year and do this presentation and share a bit about how we've been progressing in response to in many ways the direction and leadership you've shown.

[02:19:08] So first category I'm going to cover is healthy lands and habitats. And one of the exciting projects we're highlighting here is the Miller Creek daylighting of that creek opened 450ft of salmon habitat and removed a long standing fish passage barrier. So pretty exciting and an effort alongside several partners in the area too. We continue to do work related to protecting wildlife. The underwater noise impact on southern resident killer whales continues to be a concern and we're proactively doing things about that.

[02:19:42] We installed two hydrophones in the Elliott Bay area this last year in 25 and we'll be collecting the data from the sites for two years to establish a baseline of ambient noise conditions. We're also continuing to partner with Quiet Sound, such an important program for addressing underwater noise and the its impacts to whales. We saw some great progress in 25 with engagement and participation by vessels. I think it was as much as a 35% reduction in ambient noise there that the whales would experience during that time period. We also planted a number of trees and shrubs.

[02:20:18] You got a number there, 6800. Pretty proud of that effort and we continue to do that work. More ongoing habitat investments and research. You've heard about our kelp programs, but there's more. I don't know if

Sandy you're going to mention this awesome report we have.

[02:20:33] There's lots more details in here. Let's move on to the next page and I'll tell you a little bit about cleaning up contaminated lands. As you know, we operate on industrial lands with a long legacy of hard working activities and in some cases the legacy of contamination. This is big work. It doesn't happen in days or weeks.

[02:20:54] It's measured in years of effort and we continue to do this work we had. You can see at the bottom of the slide we've got eight sites where we're doing investigation, two where we're doing design, one where we're actively doing cleanup and seven where we're doing monitoring. And this is across the aviation and maritime property portfolio. We're multiple projects East Waterway, you've heard about that. We're excited that in 25 we're able to to begin the design process secured a designer for that as well.

[02:21:24] And pfas just a very significant work here. And the SEA is really leading the way on this work. I think we've eliminated as much as 15,000 gallons and 11,800 gallons of that was in 2025. And in 25 we also had our first tenant remediation of that material transitioning towards a water based system instead of the PFAs. So really exciting work there.

[02:21:50] I don't know. Sarah, did you want to say anything about the pfas? We get so excited about it. So that was the Delta hangar. So it was the first commercial hangar in the United States to transition away from the pfas containing firefighting foam in their suppression system.

[02:22:06] And so just really appreciate their leadership and advocacy to take that initiative on. Right. And that's just one example of how important partnerships are. And throughout all this work that we're talking about today, it's always with partners in almost every case too. Such an important.

[02:22:22] Let's move on to protecting water quality. My third slide there.

[02:22:29] Let's see. Could we advance? There we go. I'm going to first talk about our stormwater program, the maritime storm stormwater permit. We met all the requirements, maintaining great quality there and satisfying those state requirements.

[02:22:44] And the airport as well had 99% compliance there. Really huge success and evidence of the importance that this agency places on water quality. And you can see a bar chart in the lower corner, left hand corner where we are rehabilitating the stage stormwater system and tracking our progress of that. And we are ahead of our goal. By 2035 we would hope to have 75% rehabilitated and we're quite close at this point in time.

[02:23:18] A very important process. Not that sexy, but you all know that if you maintain things they last longer and they function better. Also we've got some derelict from vessel removals. This continues to be a pretty active area of operations. We had 31 vessels removed and more than 20 additional vessels that we're in process with.

[02:23:41] And we've been using our new technology to better understand the sites. We did some removal of debris and mapping that debris so we can better understand it and impacts on navigation and our partner's operations.

[02:23:57] I think that's all I was going to highlight on water quality. We could shift to the next slide on waste and Sarah Cox can speak for a few moments. Great, thank you. Good afternoon. Sarah Cox, the director of

Aviation Environment Sustainability and really excited to share some of our waste reduction numbers.

[02:24:13] We continue to make really measurable progress on our diversion goals between the maritime and aviation facilities. You know, we generate as much waste as a small city. And you know, policy has been a big driver in our reduction. In 2024 at the airport we had a mandate for using 100% compostable or reusable serviceware. And that policy resulted in a 14% increase in compost collection in 2018.

[02:24:48] And this is behavior change at scale. And it's really creating measurable impacts to benefits to the environment. We're also closing the loop. We're proving that waste can be a resource in a circular economy. 177 tons of used cooking oil was collected from SEA kitchens.

[02:25:10] That's equivalent to 46 tons thousand gallons that were recycled into renewable diesel and sustainable aviation fuel. So this is the very same fuel that powers our airline partner sustainability goals. And it's being created from waste generated by their passenger meals. And then at our food banks. The expanded donation program resulted in 25,000 meals and £3,000 of personal care products being donated.

[02:25:40] And then as we continue to move forward on our construction diversion, overall we had a 47% reduction diversion rate in 2025 with our maritime facilities reaching an almost 60% diversion. And construction waste is really a primary strength in that with a 99% diversion rate. And that includes concrete, steel and lumber recycled at rates that really seemed impossible a decade ago. And this is also due to our region. We, our region has invested in these opportunities for recycling.

[02:26:21] And it has been through various policy and leadership to help drive that next slide, please.

[02:26:30] And then as we continue to look at building resilient infrastructure, we look at capital projects and how we can look at opportunities to build better. The sustainable evaluation framework ensures that we look at these opportunities to embed sustainability and equity considerations into the early design phases instead of treating these as afterthoughts later on in the design and construction process. So really excited to see concourse expansion that was just that just opened. It was the first project that went through the entirety of this process and it resulted in an all electric fossil free systems, rooftop solar and water saving fixtures as well as biophilic design. And this project is projected to avoid 90% of its expected carbon emissions.

[02:27:24] And then we're continuing to look at that on the south concourse evolution project as well. And on the maritime side, the Maritime Innovation center is being constructed to the living building standard and features net positive energy, solar salvage materials, building reuse, natural ventilation and many, many. The list keeps going on many items. But it's really exciting that we are able to look at this and this is a cross port collaboration to be able to move these initiatives forward. And then in addition to our framework, we also look at third party certifications.

[02:28:08] We have six major projects that represent almost 750,000 square feet of development that are pursuing third party certifications. C Concourse is targeting platinum. It has achieved gold. And we are just three potential points away from getting LEED platinum, which is really exciting. And we have the living building challenge as well as silver and indoor certification for our infrastructure projects.

[02:28:42] Next slide. And now as we look at our scope one and two, our greenhouse.

[02:28:50] Excuse me, greenhouse gas emissions. Before we jump into these slides, I did want to note that these are 2024 reporting numbers. Due to the time frame on how all the data is collected. It's always a year behind in the reporting as compared to the report.

[02:29:11] So we are continuing to make significant reductions in our inventory. We have achieved a 44% reduction of scope one and two from our 2005 baseline. And we continue to be just below our 2030 goal of 50%. Airport operations, which makes up 94% of our controlled emissions achieved a 41% reduction while maritime is excelling at the 72% reduction rate. And so it's really exciting, you know that we are taking action on our promises to move forward on our reduction initiatives.

[02:29:53] And some of the ways that we're doing that is at the airport, our central mechanical plant, which is our heating and cooling system. In 2025, we completed an evaluation on how to decarbonize that and that resulted in looking. We'll be continuing to look into geothermal feasibility based on future conditions. So that's more to come over the next year or two. That viability and also strategic use of RNG.

[02:30:25] By purchasing 1.9 million therms of RNG in 2024, we're effectively decarbonizing our building, heating and fleet use.

[02:30:37] And then we're also continuing to build our infrastructure on our EV fleet. We still installed 28 new Level 2 chargers at the airport. And the maritime properties were in the procurement for 16 dual port level 2 chargers. Next slide please.

[02:31:00] And then at the airport for our Scope 3 emissions, which is our largest share of emissions, which comes from. Which does not come from our operations, but our tenants and partners. We are excited that our airlines. We had record use of our preconditioned air systems with 60% of the aircraft connecting. This was an increase of 10% for Alaska Airlines and 6% for Delta Airlines.

[02:31:27] Also the addition of fast chargers installed at our TNC lots. And our TNC activity is now at 22% for electric vehicles. And we've had many policy wins on the state funding for sustainable aviation fuel research and development. That was a $20 million investment in partnership with Alaska Airlines and Payne Field. That's where some of those resources are being utilized.

[02:31:56] And.

[02:32:00] Then also so on the federal side we are still seeing a lot of support for sustainable aviation fuel and there's continuing to be support and with the extension of the 45Z clean fuel production credit through 2031. And I will now pass it over to Sarah to walk through the maritime scope three. Thank you, Sarah. And so, so here we're talking about scope three and this is the stuff that we don't fully control. Don't forget that slide you saw earlier on scope one and two where you can see the things that we do control.

[02:32:37] We've made big strides in here. It's a little bit harder. So for Maritime, our scope 3, this includes cruise ships, harbor vessels, recreational vessels at the Porto marinas, rail locomotives, terminal equipment that's not owned by the port, cruise shuttle buses and provisioning trucks and vehicles that access the Port of Seattle terminals. So with this, what we're seeing is we are above our baseline, we're above our target for reduction. But this is due in great part to a success story.

[02:33:10] The growth of our cruise business has brought along some of these additional emissions. So it's a kind of a double edged sword here. We have some good progress on the business, but it is hard to get those emissions down below the baseline and below the reduction target there. But so they've increased 31% from baseline year. And let's see also some of.

Port of Seattle

[02:33:39] We can talk more about the vessels and there's some efficiencies on those. But again as you see, can get more vessels. You don't see as much of that granularity in this larger scale. All the same, there's a lot we are doing to reduce emissions and working with our partners on that. This is the near term, we still have that interest in the long term reduction.

[02:33:59] We're working on a very significant body of work for the EPA funded planning grant looking at new and clean fuels that could be used in vessels like in equipment that has this emission. We launched a sustainable fuels collaborative with partners including Maritime Blue. I think you've heard some briefings on that before and that work continues, especially looking at some policy work that could help our region advance these fuels. We finalized the Seattle Waterfront Clean Energy strategy which helps us imagine how we could Electrify a lot of this equipment and, and reduce some of these emissions. And we also continued our work on the Green Corridor.

[02:34:41] One of the most significant efforts we did and completed last year was all the inputs into a methanol study evaluating the possibility of running four cruise vessels on the Alaska cruise corridor throughout the season on methanol. It was great work. We're still waiting to publish that report and finalize it with a Maersk McKinney molar center. And then as you get closer to port, if we go to the next slide, there is something else that we can really do to make a difference. And here's where you see the impact of using shore power at berth and how that can reduce near port emissions.

[02:35:17] So on the left you can see what the average at berth GHG per ship would be without shore power. And on the right is we see a 54% reduction when they use shore power. There are still emissions, you know, before and after plugging in some of that maneuvering and initial time at berth is not covered, you know, with the shore power of course, but it is was our first year that we had all three berths with the equipped with shore power. So pretty exciting to see this progress. So we had a record 68% of all cruise ships plugged in and that was a 4,44% connection increase from 24.

[02:35:55] And 70% of all the home port vessels were able to connect. And this activity of 203 connections avoided 6400 metruck tons of CO2 and 1.74 metruck tons of diesel particulate matter. It's not only a GHG emission concern, it's also a local air quality benefit that we get when we do this shore power connection. Move to our next slide which I think I'm handing back to Sarah Cox. Yep, thank you.

[02:36:29] So 2025 was a very busy year for our planning and permitting teams. We received the final determination from FAA on the final NEPA environmental cessation. That was a finding of no significance on their record of decision. And in that there were 19 different conditions, excuse me, 18 different conditions from surface transportation improvements to stormwater best management practices that were prepared to meet. And now we're, as you're all aware, we're under the state Environmental Policy act environmental review process process and on the maritime side really had a landmark 10 year permit that was secured.

[02:37:17] This required almost two years of engagement with federal, state and local agencies as well as the Muckleshoot and Suquamish Tribes to secure a comprehensive repair and maintenance permit. This is A programmatic permit that really streamlines in water infrastructure work. And so that is very exciting. And so instead of having to seek individual permits, there is a programmatic approach. So that was a great success.

[02:37:46] As well as the AdaptSea Waterfront Resilience Partnership. And so this is. We'll develop a regional SEA level rise strategy with the city of Seattle, King county and Washington State Ferries. And the recommendations report was completed. Next slide.

[02:38:10] And we had a lot of successes last year reducing our impacts to aircraft noise on the community. As part of our sound insulation repair and replacement pilot program, we had outreached almost 500 homes high. 117 were acoustically tested and out of that acoustic testing, five homes tested eligible. So those are sound insulation packages that were installed prior to 1993 and no longer met the acoustic testing thresholds. And so those projects are now in our design and construction process.

[02:38:48] As part of our 2014 Part 1 Sound Insulation Program, we completed first time sound insulation packages on 200 apartment units. And we have two places of worship that are currently underway. It's hitting both the 2025 and 2026 for design and construction. And for our next Part 150, the 2024 Part 150, we completed the technical noise exposure maps. We had public meetings reviewing those.

[02:39:21] And we also highlighted, we'd like to highlight the successes of our airlines who really take efforts into either changing their fleet in its entirety or targeting their fleet at sea. And so those awards went to Air Canada Frontier and Icelandair. Next slide please. And I'll pass it back over to Sarah to talk through our community efforts. Yeah, so rounding out this work related to environment sustainability are some important practices related to equity, diversity, inclusion as well community, which I'll talk about next.

[02:40:03] So when we one of the ways we measure this is looking at our WIMBEE investments and our cost contracting and how we distribute those contract dollars. So wanted to highlight again the port wide 15% Wimbee spend of 151 million went to 354 Wimbees. And for the COE we were actually able to deliver a 35% Wimbee spend delivering 5.1 million to Wimbee businesses. We have on here the Duwamish Valley Career Navigation program. But you all heard some great news about that today.

[02:40:38] That again, the services started in Q3 2025. It's been a great opportunity to increase the number of job seekers and then environmental justice. We are continuing to use the port equity index to programs and projects ensuring that environmental justice is not an afterthought but is an integral part of the design process. And if we could go to my last content slide, Engaging the community. We have a long history of doing community engagement events around environmental sites and programs.

[02:41:13] And the teams hosted and organized participated in over 90 community events, including 13 boat tours.

[02:41:21] And the port also was involved in providing fire 500,000 in grants from the South King and Port Communities Fund for Environmental Improvements program. We did several things to help strengthen our tribal relationship, continuing to build on the MoU that you all endorsed and we adopted a couple years ago. A couple items there are hazard removal from fishing grounds like creosote pilings, and then providing a crane for fishers to use for loading ice and et cetera, into their vessels. And then we have our ongoing work with the PCAT and start. Is that how you guys call it?

[02:42:00] And other community groups. It's all part of delivering the environmental program. So it's with the community and with that. That concludes our summary of the programmatic efforts. I'll hand it back over to Sandy.

[02:42:13] Yeah. Thank you. Thank you, Sarah. And Sarah, again, just want to want to emphasize that a lot of accomplishments occurred in 2025. And we know of course, there's more work to do in all of our programs.

[02:42:26] We are really trying to transform an industry. Right. Move aviation and maritime industry into a cleaner and a greener future. And that takes time and it also takes the commitment of the entire port and our partners. So we want to thank you as comm commissioners and the port leadership and all employees and our partners for the work we've done to date and for the future work we're planning to keep doing.

[02:42:54] So thank you. We'll answer any questions. Commissioner Cho, thank you. It's actually remarkable, the breadth of work, Sandy, your team does to reach some of our sustainability goals. And it's really impressive.

[02:43:07] And I always take granted pride and joy in being an evangelist for us when I go out to international conferences and whatnot to talk about all the great work you all do. So I just want to start by saying thank you to all the work that you guys have done so far and the tremendous progress we've made. I just have a few questions here. What is the three point margin that we're trying to close for the C Concourse expansion from the gold to platinum certificate? I've always been curious, what, what is the of the different criteria?

[02:43:37] Yeah. So like where are we? What are the last points we're trying to get here they are more on. Sarah, is your mic still on? Oh, I think so.

[02:43:47] Oh, yeah. Now it's louder. Probably get them in different categories. Right? Yeah.

[02:43:52] It is tied more to monitoring, longer term monitoring. So we have made. We're working on those actions right now and working with the Green Building Council on those exact requirements. So we are investing in those three elements, but it's more tied to the monitoring side of it. Okay, so it's not like structural or anything like that.

[02:44:19] Okay, great. Sounds doable. I think it was slide 11, where you provided the emissions reductions at the airport or the greenhouse gas emissions reduction numbers at the airport, which is pretty remarkable. What we've been able to do. We're nearly at the 50%.

[02:44:39] Does that include the natural gas at the airport? So, yes. Okay, so that does include the natural gas transition we've made. It would be really helpful, actually. I think it would be a really cool graphic.

[02:44:53] And I understand this is a different Y axis if we do this, but to show this with how much our airport has grown from a passenger perspective because the fact that we are now at 53 million passengers a year, but our scope one and scope two emissions has gone down 44% a year would more dramatically illustrate like, tremendous work we've done. It's not like from 2005 to present, we've stagnated in terms of volume. We've grown exponentially. Right. But you know, you have basically two curves that are, you know, indirect.

[02:45:29] They're inversely correlated as far as, you know, what direction the growth and what direction the emissions is. I think that would be really helpful and in fact maybe make a strong case for what we're going to be doing with samp. Yeah, that's. That's a great suggestion. And we can certainly look at doing that.

[02:45:48] This chart shows actually both aviation and maritime. But I think, as Sarah Cox mentioned, aviation makes up the predominant amount of our. Well, I mean, given that cruises. Cruises increase. Maritime has gone up.

[02:46:05] That dramatic change would be even higher. Yeah, right. It would be an even steeper curve. Curve. If you take out the maritime side from what I. Yeah.

[02:46:13] And both we're essentially purchasing renewable natural gas at a slightly, you know, higher price than fossil natural gas to have that transition. Right. It's like, what can we do in the near term? Commissioner Feldman, you talk about this for our scope three. And this is one thing that we are able to do, which is to procure through a credit process this renewable natural gas that brings it down as well as some other changes.

[02:46:42] But I really like your idea. And we can look at putting in the growth. Powerful graphic. I think for us all to have handy. And then lastly, just for my item of my care, I say, you know, when we talk about shore power and cruise, I understand that there are vessels that might not be shore power capable.

[02:46:59] So I understand why not every ship might plug in. But what I don't understand is why all planes don't plug in. Like why is it that we don't have a hundred percent uptake on preconditioned air when it comes to planes. Sometimes it is related to the equipment or there are at times like a gate might be out. That is something that we're currently working on right now in partnership partnership with the airlines and our maintenance and facilities and infrastructure teams because it's a win win for both, for both parties.

[02:47:35] And it is, I would say, one of the top areas of interest for our airline partners to have 100% connection in. And so that is something that we are doing like adjustments to make sure that there aren't the kinks in the hose depending on the type of aircraft and where they portal in. But so that's we're striving towards 100%. I was just wondering if there's an actual technical reason or if it's just there's some technical fixes that have to happen at the different gates around kinking hoses and upgrade on some of the refrigerant boxes. That precondition Steve has a. Yeah, if I can add to that.

[02:48:19] Literally I just signed a purchase order for some additional hoses that won't kink, I guess is what I was explained to the non kink. So literally we're making the changes as we're doing this to make those improvements. So the equipment does work for the airlines as well to meet that win win for us. Great. Once again, thank you so much for all the great work.

[02:48:40] This system. Great. Very exciting stuff.

[02:48:46] Commissioner Mohamed, thank you. And similar to Commissioner Choi, I want to add on to that, thank you for the work that your team does. And not only are you all addressing the environmental issues from a local level, but you think about it from a regional level as well as an international level. And I think even the way that you broken out the scope 1 scope 2 scope 3 can paint that picture for the public really clearly. And that obviously takes a lot of work and strategy to accomplish the good work that you all are doing.

[02:49:21] So thank you very much on that. I'll start by just piggybacking off of Commissioner Cho on the preconditioned air. It's also my understanding that at times the pilots have a choice to plug into that preconditioned air and not. And they don't at times, right? That is correct.

[02:49:42] It is a pilot discretion. But I guess I just want also to emphasize the airlines as a whole want to connect in. So I would say especially right now with the way fuel prices are, it is pretty rare that a pilot is not choosing to to tie into the preconditioned air system, but it is definitely at their discretion. Is there data on that breakdown of that in the sense like of whether or not the pilot is making that decision? Yeah, I would be interested in understanding.

[02:50:14] I would have to circle back on that. I don't know that specifically that would be helpful to know. And I know that we've also, I think it was a few years ago that the commission also pushed made it a a budget priority to support those preconditioned air. And I did a tour with Alaska Airlines and they're all, all the airlines are doing really great work in meeting these sustainability goals. But then there's also different challenges that they're facing.

[02:50:41] And so I do wonder, like is there are the airlines intending to introduce their own sort of policies to ensure at times where someone could have discretion to plug in or not that they avoid not doing that just solely because it's inconvenient? So that's some of my interest around that. And so I appreciate Commissioner Cho bringing that up. And so if we do get additional information that would be really helpful around the scope three admissions that you all were articulating. Are we, are you all getting some of the data, especially when it comes to the equipment from the alliance as well, or is this all just portos like, is there a breakdown of that?

[02:51:27] How do you guys coordinate and is that picture that we're seeing representing both or singular. Good. Very good question. And while that is maritime activity, the emissions from the alliance vessels and equipment is not showing here. They would do their separate inventory and report that our staff coordinate very closely.

[02:51:48] We also do a Northwest ports emissions inventory where we can see data from not only the alliance, but also regional ports as well Tacoma and others in the area. So we do share information and work with each other. But those emissions are kind of it for separately and address through separate programs. You know, we've heard about the truck program that alliance is doing, things like that that they're doing and they've got some funding, et cetera. I don't mean to speak to them.

[02:52:18] I can't really cover that appropriately, but that's a great the managing members forum and with their staff would be A great place to get additional information on that. And we could share what we have from the last inventory of the whole picture of Seaport alliance and Port admissions. So we have that from the last inventory. That's helpful. Yeah.

[02:52:41] And I think just the coordination between the alliance and the Port of Seattle around that is helpful because I mean, Sandy, you probably recall when you're on these international trips that the world doesn't separate the two, nor does the public. And so for us it is separate. But I think for the listening public, those who track these information, I think it's helpful to see what the comparisons do look like. Yeah. Thank you.

[02:53:09] And then I have two more questions. One is around. I really appreciated the community relations, community engagement work that your team does. And I've been out there with you all. You do excellent work, whether it's tree planting or boat tours or whatever it may be.

[02:53:26] I know that there's so many people in our community that benefit from that. We also get significant interest from our local cities who are interested in environmental justice related topics. And one that comes to mind for me is around the sound installation that you reported on. And I know that some of the cities have their own sort of goals in either mimicking what we've done, wanting to do more installations in their cities for homes that are outside of the requirements that we follow. Have you guys gotten, have you had opportunities to communicate with them?

[02:54:10] Do you communicate with their environmental teams around this?

[02:54:16]

So we often work with their planning and permitting departments. So we as part actually and as part of the Part 150 process that we're underway right now, there's a technical review committee that is looking at planning and land use. And in that it includes, you know, building codes evaluation as well. What opportunities are there to include sound reduction elements in their building codes. So that is something that we engage with regularly.

[02:54:50] But as part of this Part 150 process, it's a key element to that. That's really helpful. I think even just it's an information sharing piece that they have asked even me and I'm sure maybe reached out to you also. I just wanted to follow up on that. And then lastly, for the public's interest, then it comes to us as commissioners as well is the Sustainable Airport Master Plan SAMP review process.

[02:55:19] And we've gotten significant requests obviously to extend the public comment period. I'm just wondering, I know your team is holding that. How have you guys been able to either decide on what that's going to look like or factor in in some of what We've heard at this time. Yeah. So we have known for a very long time that this is of interest.

[02:55:40] So even before we went into the state Environmental Policy act environmental review, we had been providing information sessions in particular via start, which includes our six local jurisdictions and community members of both what occurred in NEPA as also what are the elements of environment in CEPA and then also in advance of that 30 days prior to the release of the environmental the draft environmental impact statement, we sent out a notification for awareness as well as warehouse having the six in person community meetings and virtual meetings as well information systems. There is a lot of information on our website including videos as well as one pager materials on frequently asked questions. So we've been really, you know, working to both in advance and provide materials now on how to navigate the process. So we're currently at a 60 day comment period which includes, you know, it is the state requirement is 30 days and we are doubling that with a 60 day comment period. So you guys are assessing as inquiries come in and deciding on how you best engage with the community around that and even additional requests that are coming from some of the city councils as well.

[02:57:22] Correct. Great. Well, thank you for that information. And that concludes my questions at this time. Thank you, Commissioner Felman.

[02:57:33] Great. Adjourned.

[02:57:45] Clerk Hart did not appreciate I didn't bang the gavel.

[02:57:54] So anyway, I'm delighted to hear that the port stamp take pride in our environmental leadership. That happy to work here for that is you guys should be proud of that and that it's felt incredibly as well. But I also think that we can do a better job in letting the rest of the world know all the good stuff we do and that of our tenants. And I'm glad to mention this idea to you about an awards assembly thing on the outside of the pocket every year actually at business. And that our awards program is really for ourselves and I think it really kind of does a disservice to our tenants.

[02:58:39] Okay, I'll start all over. No, the idea that you could have just signaled me, but the idea that it's in our elevated self interest that our tenants get elevated. Right. Because it's for multiple purposes. Right.

[02:58:58] First of all, it's an incentive. Right. Second of all, we want people to be interested in port related activities.

So like by celebrating innovation and clean tech and all this good stuff that we're so proud of. That's not your dad's Chevrolet.

[02:59:11] Right. This is something that we want to pride ourselves in and pride our. And this is also where you cajole more activity. So. So I know it's a pain to throw an event, but I mean, I don't know how much more of a pain it is to do the thing at the airport versus, I mean, I've talked to the folks at Climate Pledge.

[02:59:34] Wouldn't that be a cool place? You know, one of their office spaces, not the whole place. If there was a. It'd be nice if we could fill the Climate Pledge. I mean, I've already seen the room to do it in and like the idea that, you know, Climate Pledge.

[02:59:48] Right place to do something like this. And all of a sudden the people that are being awarded, it's a big deal and it will get press coverage and these guys will be celebrated. And so they'll have a plaque on the wall that them and five other people know about. But if it gets covered, it's a much bigger deal. So I only say that every year, but I still believe that in the same way Port staff take pride in it.

[03:00:16] We're hiding the ball. No, I appreciate your comments and I appreciate you're always thinking about how we can better market the work. So thank you. All right, thanks. And so that was one point.

[03:00:31] For example, did Delta get an award for being the first airline to go PFAS free? They did. They did receive a Sustainable Century Award for that. And then Executive Director Metruck and our aviation director, Wendy Ryder, also sent a letter to their executive director highlighting their efforts as well as their individual here at SEA that really drove that transition.

[03:01:04] The first in the nation. The first in. In the nation. And in part because of our work in trying to find alternatives. Right, Correct.

[03:01:12] You think that's a big deal? I do. You think the rest of the public would know? I barely remembered it. So anyway, just case in point, that's a big deal and they should get credit for it.

[03:01:25] So, you know, Commissioner Cho brought up a couple things that I'm just going to divert to a little bit. So this idea of sort of like per capita emissions, in fact, this was the early emission inventories were doing this, were looking at like per TEU and things like that. And I still think that's important because it's sort of like an intensity number. But in fact, the climate doesn't care, you know, per teu. Right.

[03:01:53] What's the absolute number is what matters. Right. And to the associated community. Community's exposure to GH2 particulates. But I think both are interesting because obviously we're going to get blamed for our own success.

[03:02:08] Right. So. But the goal, of course, is you know, one of the reasons I took the job was, can you do both? Right. And so I think that's a really thing.

[03:02:19] And so to think about the right metrics. So I was thinking about the Scope one and two for the airport.

[03:02:25] Number of passengers is an interesting number, but really, I think from a Scope one and two, it's kind of square foot, cubic foot of building. Right. Because it's the HVAC system that's probably generating the citron and we keep on growing the buildings. Obviously that's directly related to the number of people. So it's correlated.

[03:02:48] But to the degree, like, I'm particularly proud of the C Concourse. You know, it was the first CEPH project, the first thing I worked on when I got here, the fact that 11 years later, we had an overnight sensation here. So. But that is a thing that you can take direct credit for when you look at volumetric increases. Well, greenhouse gas emissions on Scope three, it's another question.

[03:03:13] Right? Scope three, you're talking about number of implants and all that good stuff, but also where we need to know, like in cruise, when we're looking at scope, we have to double down on our alternative fuel and other just operational efficiencies that I think with operational efficiency, we can start tomorrow. You know, obviously they're doing design efficiencies, but I mean, I keep on talking about, you know, just slowing down gets you both noise and greenhouse gas emissions, and it just takes a pullback on the throttle. So the preconditioned air thing, I was going to. I talked to you about putting something in the budget to keep on the attaboy.

[03:03:53] And Steve, you already beat me to it, so I'm glad to hear it. But obviously there was some of this. I think it was like a cart that pushed around the hose. It's like when I hear stupid stuff like that.

[03:04:08] And because the pilot will turn it off if the room. If the place isn't getting heated, it's not getting cooled. And you know, we sometimes have planes sitting on the tarmac for a little while, as you might know. Right. And so this is obviously a very important thing for the customer, but if the systems were working better.

[03:04:26] So thank you for continuing investing in that. If there is other stuff that you would like supporting us, this is one of the only ways we have to address Scope three for aviation. And that's by far our biggest thing. So 60%, that's okay, but it could be a lot better. Right?

[03:04:44] Yeah. Thank you. Appreciate your support. And we're working on it. Okay.

[03:04:47] So then let's talk about 70% of plugging in of cruise ships. All right, so of that number, which is a great increase, we like the trend. How many are they doing? Because they can't versus is there just not. What is the percentage of our fleet that is currently shore power capable?

[03:05:06] I actually don't have that answer. I mean we'll get it to you. Yeah. Because the reason why I think it's particularly important is as we are approaching our deadline, which hopefully won't shift, I mean how big a leap is it going to be next year? Is it five ships?

[03:05:25] Is it 20 ships? We'll get you that. But we do expect and what we've heard from the cruise lines that they can meet, they can bring those shore power capable ships for the home ported vessels. And I think it's just a small number that have not been able to, you know, relative small number that have not been able to connect. And it's a two part.

[03:05:46] I mean we have our portion of responsibility too for you know, making the more mobile or adjustable connections to make so that all vessels could comply. We're looking at some dredging in order a T91 to make that site more effective for. So we didn't get that mobile card in yet this past year. Right. For T91.

[03:06:09] For T91. So like when to be able to plug in midship fore and aft. Correct to your point. It was partially on us that we couldn't get the hose to the power to the site. We're all working together, the lines and us, we're working together to make that as optimal as possible that we can have as many ships connect as possible.

[03:06:27] I'm just kind of interested, you know how steep is it before we're 100%. I mean it's next year we're going to have to change 10 ships or is it, are we chipping away at it? Well, we are. Well, we're going to. As we've reported, all the ships that come in 2026 will be shore power capable but we will not be able to reach all of them.

[03:06:47] We'll be at about the 85% level I believe to do that. So we're on the. All of them will be capable. They will be capable. That's great to hear.

[03:06:57] Getting to the harbor specific inventory regardless of whose emissions are they. I mean I called to this like last year or something. There is in one of the PowerPoints I think the alliance did we have north harbor, south harbor. I mean. Right.

[03:07:15] So we have it. That's really important. Right. Because you know, we are both Seaport alliance managing members as well as commissioners, and our constituents here are exposed to the combined emissions. So I think that number is really important.

[03:07:30] And you know, we have budget control over both entities. So if indeed we need to lean a little harder on one versus the other, we need to have that broader perspective. And so I know in our harbor, you know, we're making progress on shore power, for example, like T18 we weren't going to invest in initially and now we're going to do it. So anyway, those sort of investments can be guided by. By data like that.

[03:08:01] All right, so slide four shows that classic kind of picture of the different priorities the port puts on this kind of thing that you do at a conference. Can you put up slide 4? Oh, the big words and the small words? Yes. So whose is that?

[03:08:21] How does that get generated? You mean that the words that are up there, the scale of the font and all that. This is sort of like usually an audience participation. Oh, no, we just handed it in the PowerPoint. Right.

[03:08:37] So this is your organization? Yeah, we just pulled out what we thought were some highlights for the report. It's our in house scale. It's our in house scale. So just to.

[03:08:51] Just to give some highlights before we jump into all the details. And you should not read too much into the size of the letters. It's not like we're like. Well, but that's the way normally. What is that called?

[03:09:03] It's. Yeah, no, the word. What's it called? Word clouds. Word cloud.

[03:09:10] My words here. Next year I'll put it into use AI and put it in and we'll generate. So it's not really a reflection of. That's a great point though, otherwise. But obviously the big one in the middle is something that I have some involvement with, although not as a port commissioner because I'm not allowed to be.

[03:09:28] But I am actively looking at the compliance data for Quiet Sound and the Echo program. And I'm concerned by levels of compliance. In fact, in both programs it's going down and there's various reasons for that, but it's ultimately the pilots that are making the call of whether to do the. All of these are piloted waters, I guess, except for the Swisher bank area for Echo, which actually has the higher level of compliance. But so I did, from annual reports and stuff like that, you know, 22 to 23, there was a 53% compliance at Quiet Sound, which was a 48% reduction in noise.

[03:10:20] 23, 24 was a 3dB which was a 50% and then 24, 25 was a 0.5dB or a 12% reduction. But the number of folks, you know, we started off with like 53% and I think this year we're selling at like 56%. Right. So the number of vessels changed, the number of days changed. But you know, Echo starts at like 80 something.

[03:10:52] Right. But their numbers are not growing either. And so one of the things that in talking to pilots and talking to other folks, you know, folks are more inclined to do the right thing if they felt it mattered. Right. And so knowing that the whales are there, first of all, why stuck down just for this period of time, whether or not the whales are there or not, some assurance of that and then hearing from an authority like the Coast Guard or Marine Exchange people that they talk to and that there's a way in which to receive, receive that information that's authoritative and that having an app on the helm is actually in some places not legal.

[03:11:34] Right. So you want to have the information be easily presented. So I've been talking to the, I talked to Rachel just like last week and then I've been talking to the Marine Exchange and they have a unique relationship with the Coast Guard who has the whale desk that is being incredibly un underutilized. But I'll finish this with this one thought though. There is a way in which the Marine Exchange and the Coast Guard, they can put sightings on your ECDIS chart like, you know, invisible, like buoys.

[03:12:08] That's what they do. They're placed in buoys so you could have a. As you're sailing, you could see, oh, there's a whale sighting within the last hour in this zone. So the Mariner is just looking at where he's supposed to be looking. And then you have the protocols in place.

[03:12:27] To me it's the quality of the input on where the whales are. And quiet sound has been inconsistently funding the folks from ORCA Network. But then it's how to get that information, information to the mariner. And so, but you know what quite sens does with the analysis of the data, trying to take out the current data, that's incredibly hard stuff. So watching the numbers is really valuable.

[03:12:56] And the whiz bang stuff they're doing with infrared and adding to the sighting network, that's great stuff. That's cool tech that they're really good at. But we have to look at the net result. Right. I didn't get the recommendation into the governor's task force for 60% so I would like us to look at what the Marine Exchange can do, as I am doing right now.

[03:13:22] And I would like to see Seaport alliance also considering, you know, this joint funding. That's it. Great. Thank you.

[03:13:35] All right. Well, thank you so much for the presentation. I really appreciate getting my briefing ahead of time too, in which we covered a lot of this stuff and I was able to answer questions and also just as a part of the CEC committee or whatever we're calling it now. I like that. I get regular updates too on the work.

[03:13:53] So thank you all so much. I regularly brag about this team because I think it is so extraordinary when it comes to publication agencies and I hope we continue to lead initiatives on sustainability as a public agency. All right. With that, thank you.

[03:14:13] We are we've concluded our business meeting agenda for the day. Are there any closing comments at this time or motions relating to committee referrals from commissioners? I think this is to the public comment thing.

[03:14:30] All right. So we heard extensive public comment, both written in today's thing about opportunities to comment on samp. And you know, I've been on the receiving end of public processes most of my career. I've been consultant to various environmental groups for over 30 years. Participation in public processes, analysis of EISs is what I do.

[03:14:56] So I'm particularly empathetic to these concerns on the first round through the FAA process. Keep on when I say core the FAA process, we extended the common period twice. Right. So and these are voluminous. They take years to produce it and we get 30, 60, 90 days if we're lucky.

[03:15:19] Right. So it's always going to be disproportionate. But it was an active effort on the port side to extend it beyond what normal processes are. And I am grateful that staff have taken that initiative. Phase two is the EIS process through the state and business.

[03:15:42] Basically all the data that were in the EA are now in the eis. And we've added the two parts that most people were most interested in. Was the EJ related and I think cumulative impacts were like the two things that Trump removed. So in a large sense, the places where the public was most interested is now the only new thing that's in the whole eis. So I'm not saying don't read the whole thing.

[03:16:17] Well, I'm saying don't read the whole thing. But the part that really is important, the new part is a small part. And so doubling the time that we've done, 30 to 60 days, I think given what really needs to be focused on is still good is still reasonable. However, the one thing that I know is important to community members is not just to impart your view on the document to the regulator, the agency, but to talk amongst your community and to understand what each other are thinking. And that's where the classic public hearing comes up, where you come to a microphone, you speak to a court reporter.

[03:17:08] It's not for a give and take relationship, but it is a way that you know you're being heard because everybody else is hearing you and you can concur with so and so or take issue with so and so. It needs to have a cop in the room, you know, to keep it cool. But it is the classic way where it is a public process and, you know, writing a card and sticking it in a box. Nobody reads the response to comments in the Appendix 7 behind an EIS. This is the way the public feels that they've been heard.

[03:17:42] This is one of the things that we're being asked to do that I believe we might be able to pull off, not at a individual city council commission meeting sort of thing, but I believe if we can find a way, rather than extending the comment deadline, to give the public a chance to hear from each other as well as for us, I think that would go a long way to addressing some of the concerns we've heard and that'll do it. Any other comments from commissioners?

[03:18:16] Executive Director Mattrick, any closing comments? Just two things responding to. If I can respond to Commissioner Felman's note, that is something we're taking under consideration. Commissioner Fellman, we just received that, as you know, late last week. So we're looking at that request for that and how to address those issues that you brought up to do that.

[03:18:38] So we'll continue this discussions with staff in compliance with the Washington administrative requirements. And then the second thing is just continuing on. We know we have two FIFA games in. It's around the clock. The team is continuing to work around the clock at our command centers and especially ramping up on those days where we have games here on Wednesday and Friday and then hopefully more after.

[03:19:06] There are going to be more after that, hopefully for the US in that next round after that. So just wanted to call them out and appreciate the, appreciate your appreciation of them and the team that is working around the clock to keep us safe and secure and efficient in our operations as well. So thank you and thanks also for the discussions earlier today. I thought those were very informative on the budget inputs and priorities for the commission. Thank you, Commissioner.

[03:19:32] Mahalo. Thank you. And I'LL just quickly add to that and just say thank you to the public and both the elected officials who have reached out to us individually and via email, through letters and wanting to engage on the SAMP process. We take those comments very seriously and we do consider them as they come in. And I guess the last thing I just want to say is, and remind the public is that SAMP projects will come to commissioners one by one, project by project.

[03:20:05] And so there will be many opportunities where we will be able to hear from the public on these different projects and their opinions and expertise will be welcomed at those times as well. And so just wanted to add that thank you for the time. All right. And just an exhortation again, get out and enjoy FIFA World cup in Seattle and surround just a huge debt of gratitude to the local organizing committee for making it accessible and fun and for the people around here who just the vibes are amazing. So you don't even have to like soccer, but you're going to have fun if you go to one of these watch parties in Everett or Renton or Redmond or Kirkland or downtown.

[03:20:49] So get out there and enjoy it. The this is a once in a lifetime experience and you'll never forget it. All right, hearing no further comments and having no further business, if there is no objection, we are adjourned at 3.27pm.