



Seattle-Tacoma
International
Airport

Aviation Division Operating & Capital Budget Commission Briefing

Oct 12, 2021

Outline for Aviation presentation

- Strategy to Budget; Status on CA Objectives; SWOT
- Strategic priorities
- Operating budget
- Capital Budget 2022 – 2026
- Financial forecast 2022 - 2026
- Appendix with budget details and business unit reports

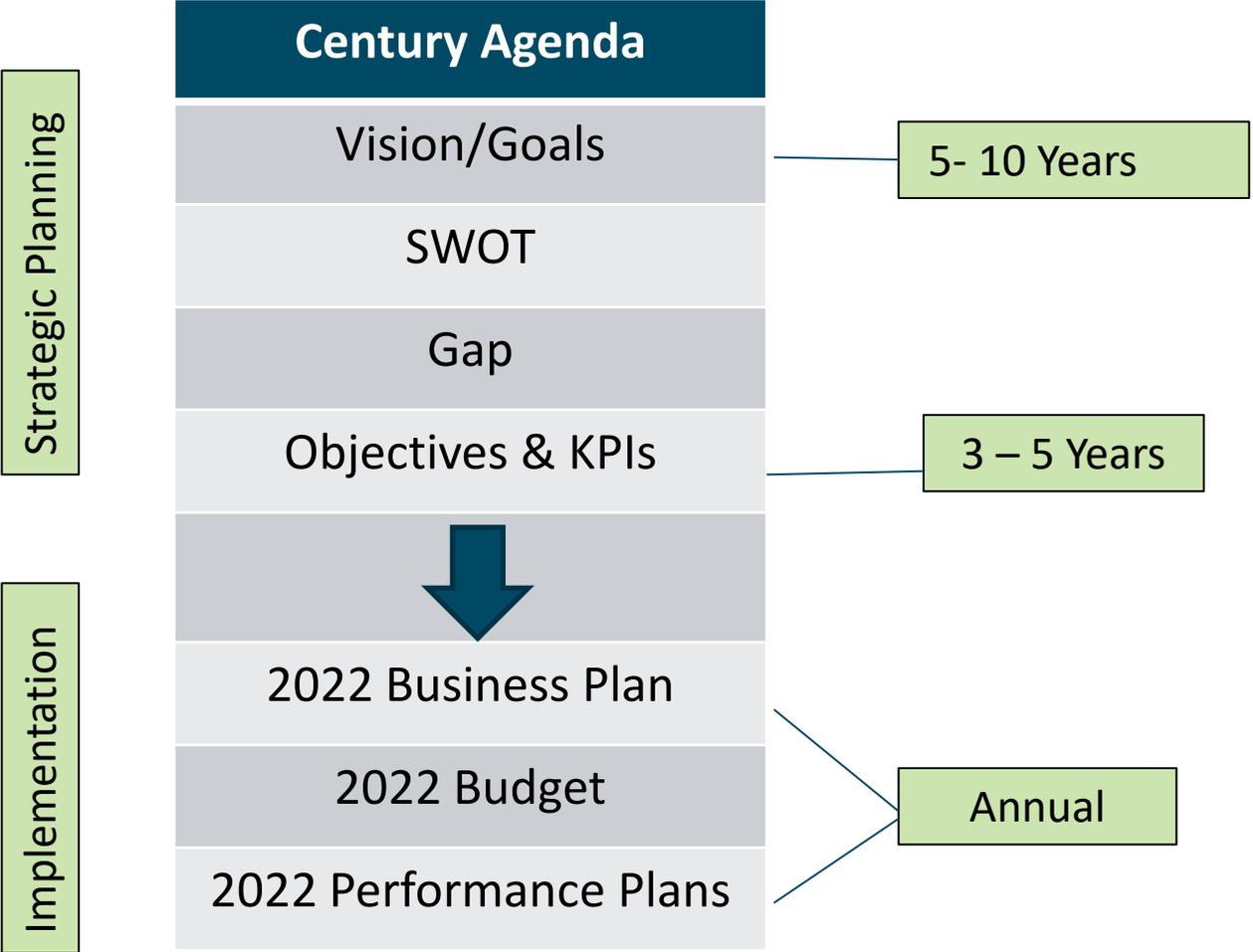
Century Agenda Drives Division Plans and Budgets



CENTURY AGENDA OBJECTIVES

- Position the Puget Sound Region as a Premier International Logistics Hub
- **Advance this Region as a Leading Tourism Destination and Business Gateway**
- Responsibly Invest in the Economic Growth of the Region and all its Communities
- Be the Greenest and Most Energy Efficient Port in North America
- Become a Model for Equity, Diversity and Inclusion
- Be a Highly Effective Public Agency

Strategy To Budget Process



Progress on Long-Term Goals

Century Agenda (CA) Goal 2

Enduring – Set by Commission

Advance the Region as a Leading Tourism Destination and Business Gateway

CA Objective

Enduring – Approved by Commission

OBJ 3: Continuously improve operational efficiency and customer experience at SEA

OBJ 4: Strengthen the competitiveness of SEA in the regional and global marketplace

OBJ 5: Meet the region's air transportation needs in a sustainable and cost-effective manner

Key Performance Indicators

Reviewed by E.D./Commission

Attain Skytrax 4 star rank by 2025

Thirty (30) year-round international services of over 2,000 miles by 2025

Achieve level of service Optimal at peak for FIS, Gates, Checkpoints and Restrooms by 2025

2021 UPDATE



Skytrax a highly respected air travel rankings entity that uses targeted research and traveler surveys to score airports and airlines in multiple traveler and customer service attributes.
Improvements to 10 service attributes from a 3 to 4 rating in 2021

ON TRACK

Thus far in 2021...
Qualified services increased from 11 to 22
 Of the eleven services gained...
2 new services
5 returning services
4 formerly-seasonal svcs will now operate year-round.

ON TRACK

NSAT and IAF completion in 2021 will provide Optimal Service at peak for FIS...
 Checkpoints 1 and 5 will be complete by Q1 2024...
 Restroom renovation on track for early completion in 2024...

ON TRACK

Progress Towards Long-Term Goals

Century Agenda (CA) Goal 6

Enduring – Set by Commission

Be a Highly Effective Public Agency

CA Objective

Enduring – Approved by Commission

OBI 19: Set the standard for high-quality, cost-effective, and timely delivery of capital programs

Key Performance Indicators

Reviewed by E.D./Commission

AVIATION: Complete 75% of large* Aviation CIP projects within budget and schedule
*Budget >\$50M

AVIATION: YoY – achieve 75% of schedule milestones for large Aviation CIP projects

AVIATION: YoY – achieve 75% of planned expenditures for all Aviation CIP projects

2021 UPDATE



All 5 projects currently authorized for construction and >\$50M are within approved budget; two are behind schedule.

- * Baggage Opt due to high bids/airline vote; working to recover time
- International Arrivals Facility - behind schedule

DELAYED

Currently at 87%

ON TRACK

As of Q2, annual projections are 93% of planned

ON TRACK

SWOT - Key Implications

- Path of recovery uncertain
- SEA well positioned with regional demand and strong hub airlines
- New facilities and technology offer opportunities to improve customer experience
- Maintain focus on community concerns
- SEA facing major capital program:
 - Need to add resources
 - Will put upward pressure on airline rates
- Use federal relief to achieve SEA financial objectives and moderate airline costs

SEA Strategic Focus Remains the Same

Aviation Areas of Strategic Focus

1. Health and Safety
2. Security
3. Employee Engagement
4. Community
5. Innovations and Operational Efficiencies
6. Economic Opportunities and Social Responsibility
7. Customer Experience
8. Environment and Sustainability
9. Financial Sustainability
10. Asset Management, Capital Development and Delivery

Updated Goals and Objectives

- Reviewed and updated for each of ten focus areas:
 - Vision and long-term goals
 - 2025 Objectives
 - 2022 Objectives
- Highest priorities narrowed to:
 - Regulatory/Must Do/Commission Directives
 - Wildly important goals (WIGs)
 - Pretty important goals (PIGs)

2022 Budget Priorities: Must Do

1. **Safety:** Zero Part 139 discrepancies
2. **Security:** Zero TSA audit findings
3. **Environment and Sustainability:**
 - **NPDES:** Noncompliance actions addressed promptly and respective actions implemented. Ecology approval (through permit modification) to utilize TOC instead of BOD as IWS regulatory parameter.
 - **Deep infiltration:** If 2021 testing successful, infiltration incorporated into roadway realignment PDD; if testing not successful, evaluation of alternative BMPs to offset detention needs
 - **IWS:** Compliance with King County permit. Implement and track KC approved measures within UMP and capital development program

2022 Budget Priorities: Must Do

3. Environment & Sustainability (cont.):

- **Asset Management (Lagoon 3 integrity):** continue groundwater monitoring and maintain assets to help ensure regulatory compliance. Collect a minimum of three groundwater samples by (Q4); coordinate regulatory actions to support F&I liner inspections and repairs (Q3)
- **PFAS:** Implement actions in 2021 DOE Chemical Action Plan; submit Toxic Inventory Report AFFF releases (7/1); continued investigation of sites with high-level areas of concern; install GW monitoring wells at former training pit sites (if not done in 2021)
- **AFFF:** Within 120 days of FAA approval to use fluorine-free foam, purchase new foam, transition trucks to be able to use, and handle old foam as cost-effectively as feasible.
- **Flight Corridor:** Phase 1 and 2 compliance obligations met (SEPA).

4. Commission Directives:

- Biometric Air Exit – vendor support
- Resiliency: annual exercise
- Ground Transportation Access Plan: passenger mode choice model
- Human Trafficking training

2022 Budget Priorities: WIGs

- 1. Health & Safety:** Achieve 5% reduction in major incident rate (~16.5)
- 2. Employee Engagement:** Achieve score +3% above 2021 baseline for employee engagement survey
- 3. Community:** Complete 10% of 2014 Part 150 noise remedy program
- 4. Customer Experience:** Advance 10 Skytrax service attributes for improvement from a 3 to a 4 ranking in the Skytrax audit
- 5. Financial Sustainability:** Achieve debt service coverage > 1.4x and cash balance = 14 months of O&M costs

2022 Budget Priorities: PIGs

1. Health & Safety: Achieve $\geq 93\%$ safety evaluation score
2. Community
 - Meet 2022 milestones for StART Noise Working Group and Federal Policy Working Group initiatives
 - Begin procurement for the new Part 150 Study Update by Q4
3. Customer Experience
 - 70% of people experience a TSA line wait under 20 minutes and 90% under 30 minutes
 - Open 11 ADR units at NSAT by Q2
 - Open Salty's by Q4
4. Asset Management, Capital Development and Delivery
 - SSAT - Commission approval for advancement Q2 and Design Notice of Intent to Award Q4
 - Complete SAMP Estimate Review by Q1
 - Resources to deliver capital program budgeted and in place Q3
 - Complete PDD for MT Program – Q4

2022 Budget Priorities: PIGs

5. Environment & Sustainability:

- **Land Stewardship:** Approved tree replacement and management approach in support of future development
- **Scope 1 and 2 GHG Emissions:** achieve 2022 milestones for Sustainable Fleet Plan implementation as appropriate for individual department budgets (AVM lead with AVENV support); complete NREL work to analyze long-term energy alternatives to reduce carbon emissions from the SEA central mechanical plant
- **Scope 3 GHG Emissions, airline emissions:** Advocate for SAF opt-in credits in LCFS rulemaking; continue to implement APU project and complete root-cause analysis by Q4; complete MSW-to-liquid fuels study in partnership with King County.
- **Scope 3 GHG Emissions, GT:** Progress achieved on-environmental strategies as identified in 2022 GT Workplan

2022 Budget Priorities: PIGs

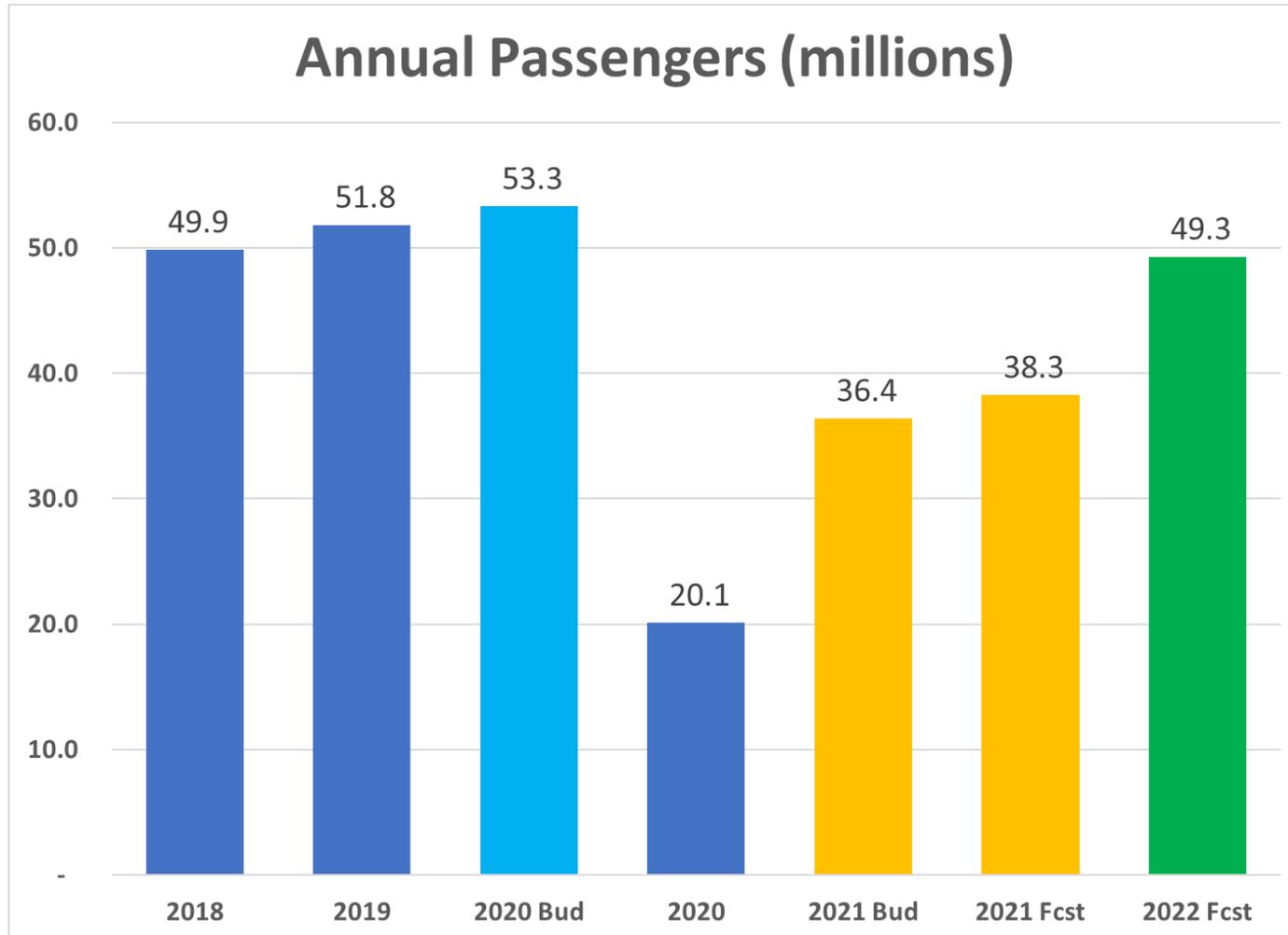
5. Environment & Sustainability (cont.):

- **Sustainable Project Framework:** Finalize guidance manual based on lessons learned from 2021 pilot project. Develop a workplan to achieve remaining Commission directives such as inclusion of social equity, operational decisions, lease agreements.
- **Solid waste:** 2022 milestones on workplan to reduce single-use plastics. [potential new solid waste target pending outcome of Director and Commission briefings this year.]

2022 Budget Context and Drivers

- Planning for passenger level at 95% of 2019
- Planning for major capital program
- Successfully deferred many costs that would have hit 2020/2021 – must address in 2022 budget
- Committed capital projects with major expense elements in 2022
- Full costs of IAF and NSAT included in 2022 budget
- Costs rising in many areas, particularly payroll
- Remaining federal relief grants will mitigate airline rate increases
- Used modified zero-based budget: department budget targets based on 2021 budget and 75% of 2020 travel and training budgets.

Passenger Forecast Assumptions



2021 Forecast:

- Grow 91% vs. 2020
- Down 26% vs. 2019

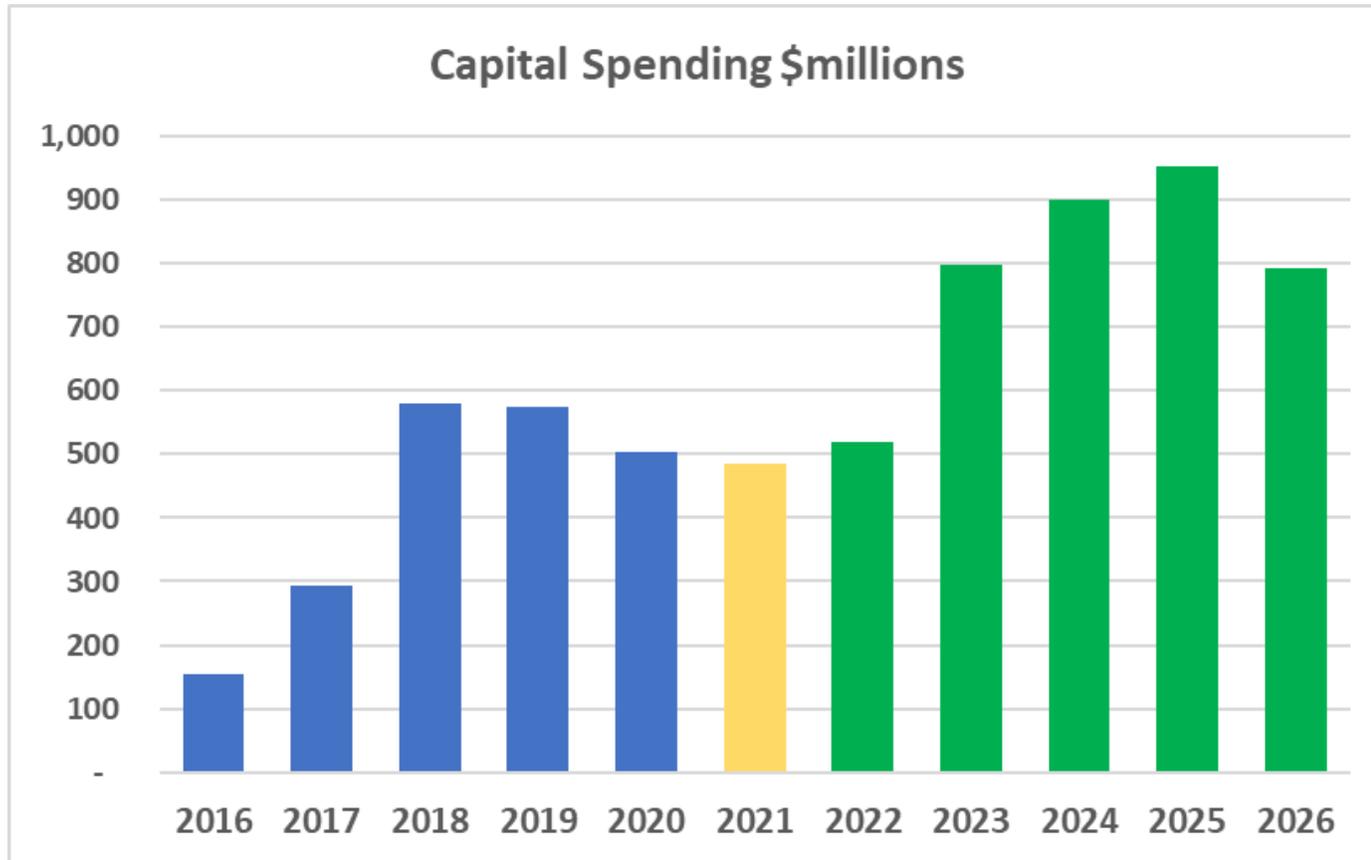
2022 Budget:

- Grow 35% vs. 2021
- Down 5% vs. 2019

Overview:

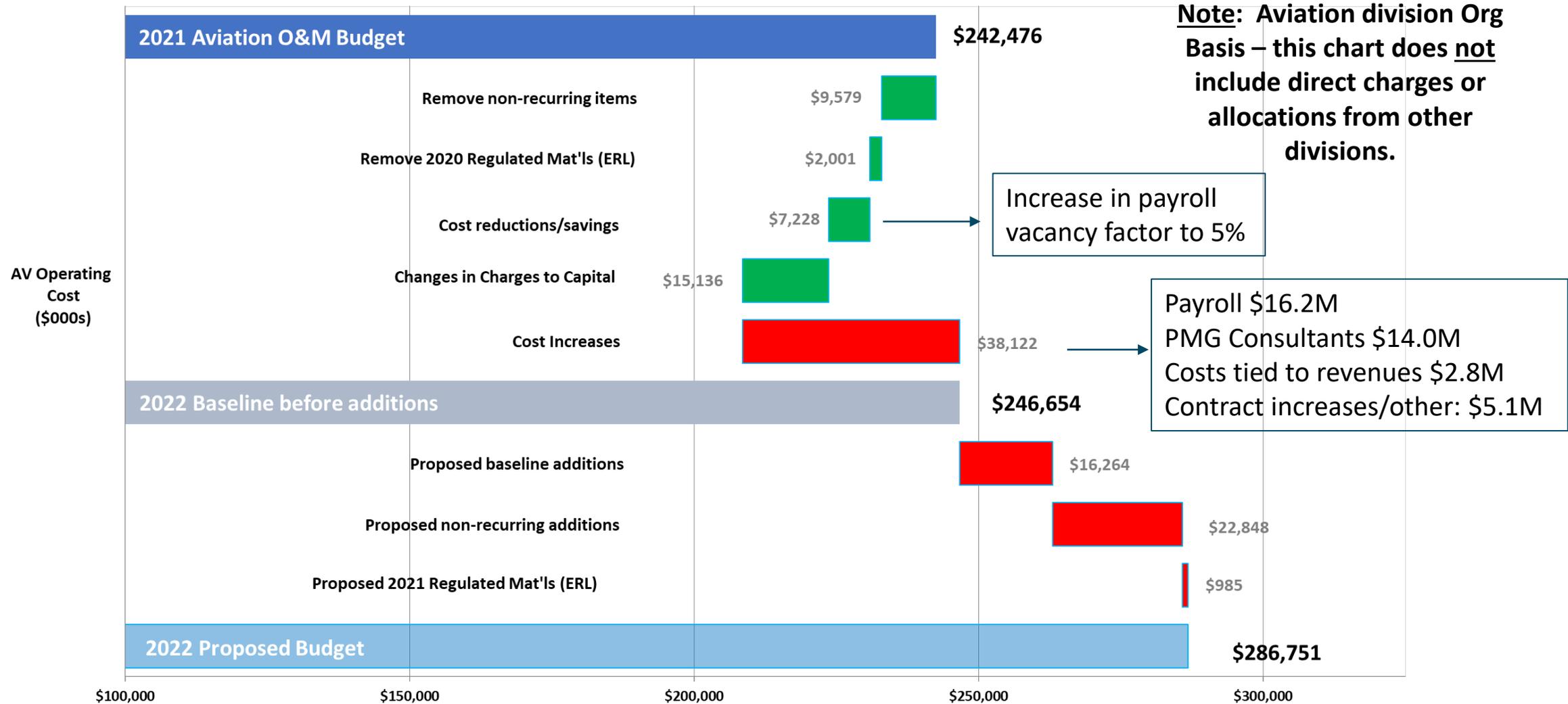
- Domestic leisure market leading recovery
- Business and International recovery lagging

Preparing for Major Growth of Capital Program



- 2022 Operating budget adds resources to effectively plan and deliver growing capital program
- Spending forecast does not include Sustainable Airport Master Plan near term projects

Aviation Operating Expense Budget Changes



Summary of Proposed Budget Additions

All amounts in \$000

	<u>Requests</u>	<u>Approved</u>
Expense Items		
Number	247	203
Amount	48,863	39,112
Number of FTEs		
Unfreeze	42.6	36.6
New	64.0	45.0
Total	<u>106.6</u>	<u>81.6</u>

<u>Category</u>	<u>Number</u>	<u>Amount</u>
Musts	37	7,501
WIGs	37	8,887
PIGs	35	6,296
Exp for Capital Project	5	7,135
New Facilities	6	3,158
Other	83	6,135
Total	<u>203</u>	<u>39,112</u>

WIGs = Wildly important goals (top strategic priorities)
PIGs = Pretty important goals (other strategic priorities)

Highlights of Proposed Budget Additions

- Significant portions of Airline Realignment project are accounted for as expense
- Phased starts for new FTEs throughout 2022
- Many continuing initiatives are re-approved annually to manage scope and cost
- Air service incentives are contractual obligations
- SEA hosting AAAE conference

Description	Amount in \$000
Airline Realignment	6,578
New FTEs: 81.6	5,478
Consolidated Services Contract	4,100
Planning	1,775
SAMP Environmental Review	1,500
ADR PM Consultants	1,220
Air Service Incentives	975
Asset Management Program	800
Utility Master Plan	700
STOC Furniture and Equipment	700
AAAE Conference Sponsorship	650
Window Cleaning	636
Pest Control Contract	627
Cargo Buildings Roof Coatings	563
Art Conservation	535
Cargo Building Fire Protection	500
Remaining 130 items	11,775
Total	39,112

Summary of Budget Requests

Budget Request Category	# of Requests	2022 Budget Requests (in \$000's)			
		FTEs	Baseline	Non-Recurring	Total
Health and Safety	28	11.0	1,983	1,897	3,880
Security	8	3.0	371	224	594
Employee Engagement	4	-	23	145	168
Community	8	-	220	790	1,010
Innovation and Efficiencies	14	3.0	528	244	772
Social Responsibility	1	-	0	100	100
Customer Experience	39	17.6	7,457	1,421	8,878
Environment and Sustainability	22	-	717	1,555	2,272
Financial Sustainability	9	3.0	297	1,295	1,592
Asset Management, Capital Projects, and Planning	70	44.0	4,668	15,178	19,846
2022 Budget Requests - Total Proposed	203	81.6	\$ 16,264	\$ 22,848	\$ 39,112
2022 Budget Requests - Initial Requested	247	106.6	\$ 22,256	\$ 26,607	\$ 48,863

Major Budget Requests by Strategic Priority

Health & Safety

Pest Control contract	627
Cargo Building fire protection	500
Fire apparatus maint. contract	400
Bird & Mammal hazard contracts	330
Replace AEDs	300
3 Firefighters	155
4 Airfield operation specialists	260
Resiliency exercise	150

Community

AAAE Conference sponsorship	650
Outside prop. garbage & veg. control	200

Social Responsibility

Human trafficking training	100
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Customer Experience

Consolidated Cust. Serv. contract	4,100
Janitorial contract increases	964
Restore 13.6 Ops. & Maint. FTEs	916
Waste receptacles	412
Quality Assurance program	270

Financial Sustainability

New air service incentives	975
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Major Budget Requests by Strategic Priority

Environment & Sustainability

Cargo building rooftop coating	563
Building energy efficiency audit	200
NREL Athena pass. mode choice	125
TMA consulting contract	75

Asset Mgmt, Capital Projects & Planning

Expense elements of capital projects	6,894
Maintain existing facilities/ 10 FTEs	3,816
Capital program growth/ 25 FTEs	2,916
Maintain new facilities/ 9 FTEs	1,903
Planning studies	1,775
SAMP Environmental Review	1,500

Proposed FTEs Restore Total to 2020 Level

CHANGES IN FTEs			
Approved 2020 Budget FTEs (pre-pandemic)	1,246.7		
Vacant FTEs frozen & unfunded	(102.3)		
FTEs funded in 2021 Budget		1,144.4	
New FTEs approved mid-year	6.0		
Unfreeze FTEs approved mid-year	15.0		a
Net change during 2021		21.0	
New FTE Requests	45.0		
Unfreeze FTE Requests	36.6		b
Proposed additional FTEs in 2022 Budget		81.6	
Proposed FTEs in 2022 Budget		1,247.0	
<u>Status of Frozen Positions in 2021 Budget:</u>			
Unfreeze FTEs approved mid-year	15.0		a
Unfreeze FTEs requested in 2022 Budget	36.6		b
Frozen FTEs remaining frozen & unfunded		19.2	
Frozen FTEs permanently eliminated		31.5	
Total Frozen Positions in 2021 Budget:		102.3	

- Same FTE count as 2020, but FTEs address changing needs
- Proposed Budget strategically adds back FTEs in order to:
 - Meet operational needs
 - Service new facilities
 - Advance key initiatives
 - Address growing capital program
- Including 2021 mid-year adds:
 - 51/102 Frozen positions restored
 - 51.6 new positions

Total Airport Expense Summary

Total Airport Expense Summary (\$ in 000's)	2019	2020	2021	2021	2022	Incr (Decr)	
	Actual	Budget	Budget	Forecast	Proposed Budget	Change from 2020 \$	%
Operating Expenses							
Payroll	144,051	160,340	153,293	153,183	167,505	7,165	4.5%
Outside Services	68,162	79,889	65,174	66,406	101,757	21,868	27.4%
Utilities	18,180	21,180	20,244	19,619	21,008	(172)	-0.8%
Charges to Capital	(19,874)	(27,043)	(22,679)	(22,970)	(37,815)	(10,772)	39.8%
Other Expenses	34,595	32,267	24,039	25,029	32,852	585	1.8%
Total Airport Direct Charges	245,114	266,634	240,071	241,267	285,307	18,673	7.0%
Environmental Remediation Liability	15,900	2,648	2,001	2,196	985	(1,663)	-62.8%
Capital to Expense	2,089	-	-	218	-	-	
Total Exceptions	17,989	2,648	2,001	2,414	985	(1,663)	-62.8%
Total Airport Expenses	263,104	269,282	242,072	243,680	286,292	17,011	6.3%
Corporate	65,729	77,460	69,767	70,076	78,922	1,462	1.9%
Police	22,290	26,233	23,964	23,513	27,658	1,425	5.4%
Maritime/Economic Development/Other	4,123	4,332	4,105	3,991	4,842	510	11.8%
Total Charges from Other Divisions	92,141	108,025	97,836	97,580	111,422	3,397	3.1%
Total Operating Expenses	355,245	377,306	339,908	341,260	397,714	20,408	5.4%

Payroll:

- Contract increases
- Ave. PFP 6%
- Payroll vacancy 5%
- 81.6 new FTEs

Non-payroll

- Project outside services
- Contractual increases

**5.4% Growth over
2020 Budget**



Actuals include pension credit.

Budget Summary with Grant Impacts

Budget Summary (\$ in 000's)	2019	2020	2021	2021	2022	Incr (Decr) Change from 2020	
	Actual	Budget	Budget	Forecast	Proposed Budget	\$	%
Operating Revenue							
Aeronautical Revenues	357,598	401,342	386,668	300,332	413,527	12,185	3.0%
Non-Aeronautical Revenues	269,037	283,167	189,548	184,024	241,146	(42,021)	-14.8%
Total Operating Revenues	626,636	684,510	576,215	484,356	654,673	(29,837)	-4.4%
Total Operating Expenses	355,245	377,306	339,908	341,260	397,714	20,408	5.4%
Net Operating Income	271,390	307,203	236,308	143,095	256,959	(50,245)	-16.4%
Federal Relief			37,899	160,666	76,058	76,058	
Federal Relief (Concessions)				5,355	21,419	21,419	
NOI (After Federal Relief Grants)	271,390	307,203	274,207	309,116	354,435	47,232	15.4%
Debt Service Coverage	1.68	1.80	1.36	2.15	1.91	0.11	6.0%
ADF Cash Balance - Months of O&M	10	10	12	14	14	4	40.0%
CPE	12.86	13.92	19.62	14.01	15.35	1.43	10.3%
Non-Aero NOI (\$ in 000s)	143,917	154,660	82,742	82,517	108,048	(46,611)	-30.1%
Enplaned passengers (in 000s)	25,874	26,667	18,216	19,190	24,648	(2,018)	-7.6%
Capital Expenditures (in 000s)	573,598	513,131	491,202	483,342	514,812	1,681	0.3%

Improving
Bottom Line

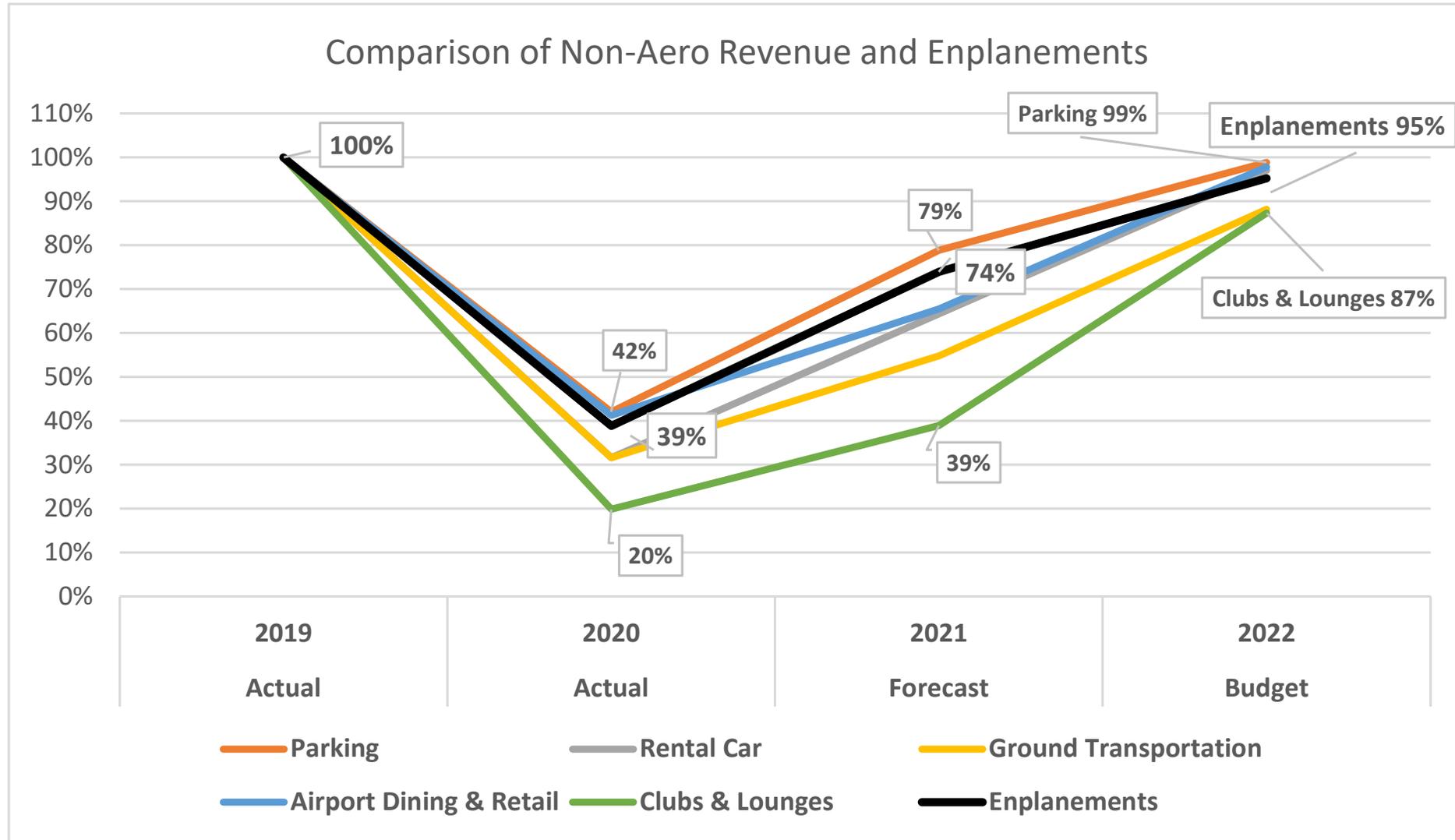


Improving
Key Measures

Actuals include pension credit.

Non-Aero revenue shown including concessionaire grant reductions.

Non-Aero Revenue Recovery as % of 2019 Actual



Non-Aero NOI Before Concession Relief Grants

Non-Aeronautical NOI (\$ in 000's)	2019	2020	2021	2021	2022	Incr (Decr)	
	Actual	Budget	Budget	Forecast	Proposed Budget	Change from 2020	
						\$	%
Non-Aeronautical Revenues							
Public Parking	82,125	89,485	59,597	64,576	81,169	(8,316)	-9.3%
Rental Cars	52,567	51,149	26,880	33,612	51,011	(138)	-0.3%
Ground Transportation	20,765	22,299	13,628	11,482	18,306	(3,993)	-17.9%
Airport Dining & Retail	61,615	66,145	45,936	40,381	60,267	(5,878)	-8.9%
Clubs and Lounges	10,274	10,536	6,221	4,001	8,972	(1,564)	-14.8%
Utilities	7,431	8,831	7,568	6,968	7,808	(1,023)	-11.6%
All Other	34,262	34,722	29,717	28,358	35,032	310	0.9%
Total Non-Aeronautical Revenues	269,037	283,167	189,548	189,378	262,565	(20,603)	-7.3%
Total Non-Aeronautical Expenses	118,286	128,508	106,806	106,861	127,510	(998)	-0.8%
Non-Aeronautical NOI	150,752	154,660	82,742	82,517	135,055	(19,604)	-12.7%
Less: CFC Surplus	(6,834)	-	-	-	(5,588)	(5,588)	
Adjusted Non-Aeronautical NOI	143,917	154,660	82,742	82,517	129,467	(25,192)	-16.3%
Debt Service	(49,299)	(33,065)	(53,025)	(15,935)	(35,229)	(2,164)	6.5%
Net Cash Flow	94,619	121,595	29,717	66,583	94,238	(27,356)	-22.5%

2022 Budgeted Revenues at 98% of 2019

Non-Aero revenue shown before Concessionaire Relief grant reductions.

Aeronautical Cost Drivers

\$ in 000's	2020	2021	2021	2022	Impact on Aero Revenues Change from 2020	
	Budget	Budget	Forecast	Proposed Budget	\$	%
O&M	242,981	227,420	228,844	262,723	19,742	8.1%
Federal Relief Grants O&M	-	(3,500)	(21,100)	(8,100)	(8,100)	
Net O&M	242,981	223,920	207,744	254,623	11,642	4.8%
Debt Service Before Offsets	174,455	193,302	190,120	235,151	60,696	34.8%
Debt Service PFC Offset	(62,998)	(47,549)	(57,839)	(79,803)	(16,804)	26.7%
Federal Relief Grants Debt Service	-	(29,399)	(86,778)	(44,333)	(44,333)	
Net Debt Service	111,457	116,354	45,503	111,015	(441)	-0.4%
Amortization	32,326	32,681	32,624	33,739	1,413	4.4%
Space Vacancy	(490)	(1,141)	(1,063)	(1,682)	(1,193)	243.5%
TSA Operating Grant and Other	(1,028)	(758)	(759)	(758)	270	-26.3%
Rate Base Revenues	385,246	371,056	284,048	396,937	11,691	3%
Commercial area	16,097	15,612	16,284	16,590	493	3%
Total Aero Revenues	401,343	386,668	300,332	413,527	12,184	3%

IAF and NSAT add operating and capital costs to airline rate base



PFCs and Grants offset \$61 million growth in debt service

Aeronautical NOI

Aeronautical NOI (\$ in 000's)	2019	2020	2021	2021	2022	Incr (Decr)	
	Actual	Budget	Budget	Forecast	Proposed Budget	Change from 2020	%
						\$	
Rate Base Revenues							
Airfield Movement Area	123,436	132,128	115,037	87,899	121,862	(10,266)	-7.8%
Airfield Apron Area	22,016	22,011	21,418	15,184	22,182	171	0.8%
Terminal Rents	205,283	212,943	213,147	166,593	229,371	16,428	7.7%
Federal Inspection Services (FIS)	12,321	18,162	21,454	14,373	23,522	5,359	29.5%
Total Rate Base Revenues	363,057	385,245	371,056	284,048	396,937	11,691	3.0%
Airfield Commercial Area	11,687	16,097	15,612	16,284	16,590	493	3.1%
Subtotal before Revenue Sharing	374,744	401,342	386,668	300,332	413,527	12,185	3.0%
Revenue Sharing	(17,146)	-	-	-	-	-	
Total Aeronautical Revenues	357,598	401,342	386,668	300,332	413,527	12,185	3.0%
Total Aeronautical Expenses	236,959	248,799	233,102	234,400	270,205	21,406	8.6%
Aeronautical NOI	120,639	152,544	153,566	65,932	143,322	(9,221)	-6.0%
Debt Service	(110,945)	(62,607)	(125,747)	(48,130)	(114,432)	(51,824)	82.8%
Net Cash Flow	9,694	89,936	27,819	17,802	28,891	(61,046)	-67.9%

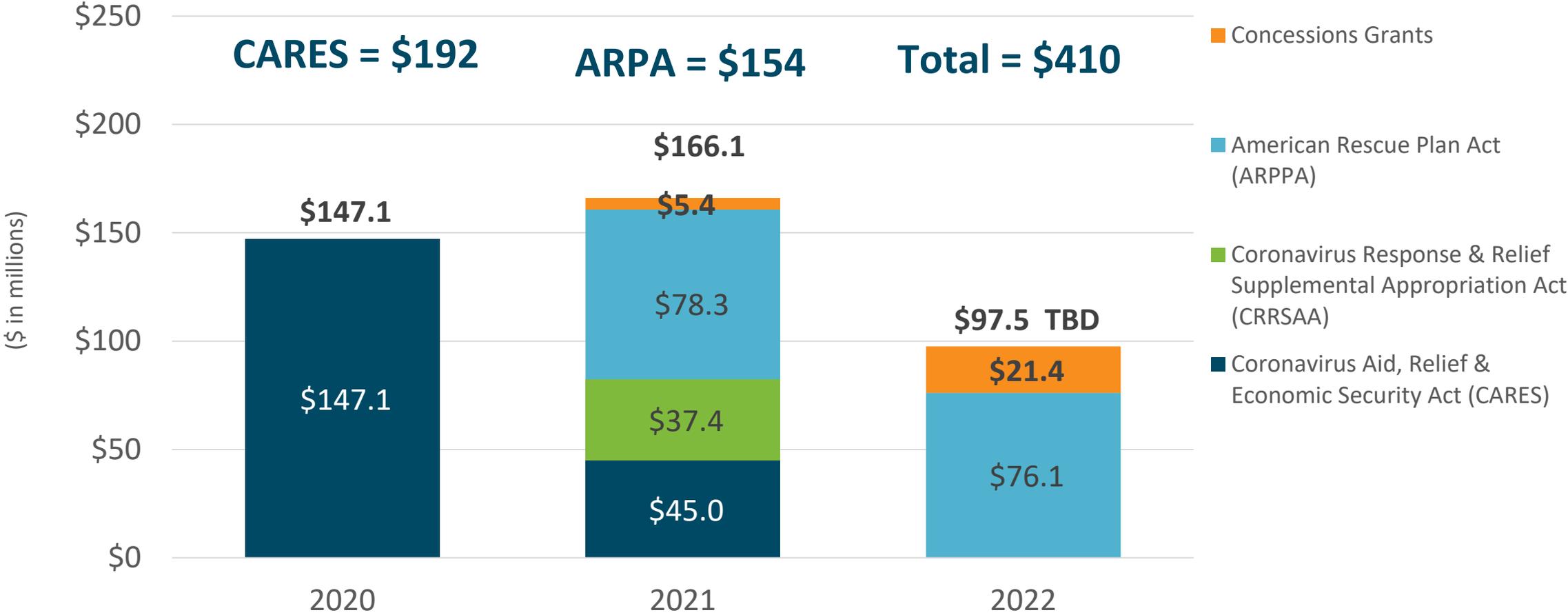
Grants
and PFCs
reduce
Revenue
growth



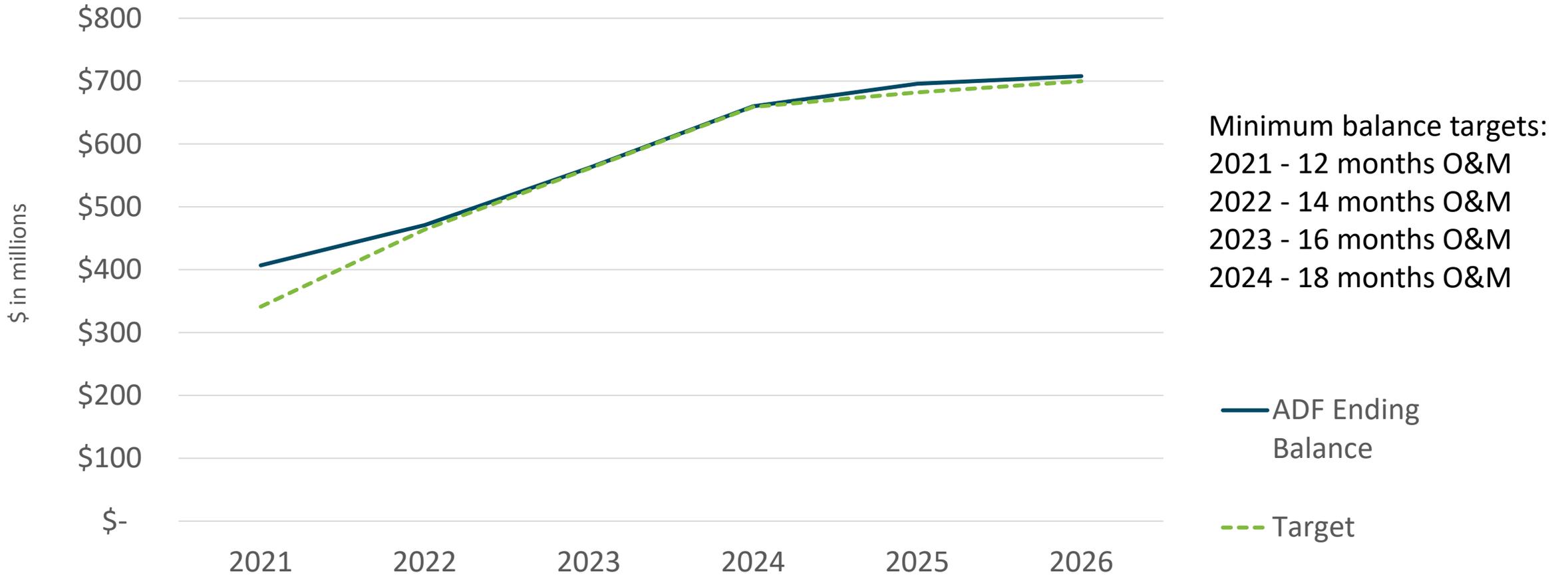
2022 Operating Budget Risks

- Navigating uncertainty over path of recovery:
 - Need to be prepared for activity level near 2019
 - Need to be ready to cut back if recovery stalls
- May have opportunity to shift more federal relief grants to 2022
- Payroll vacancy rate of 5% included in budget
- No contingency in budget – snow events would result in non-budgeted spending

Federal COVID Relief: CARES, CRRSAA & ARPA



Growing Cash Balance for Greater Resiliency

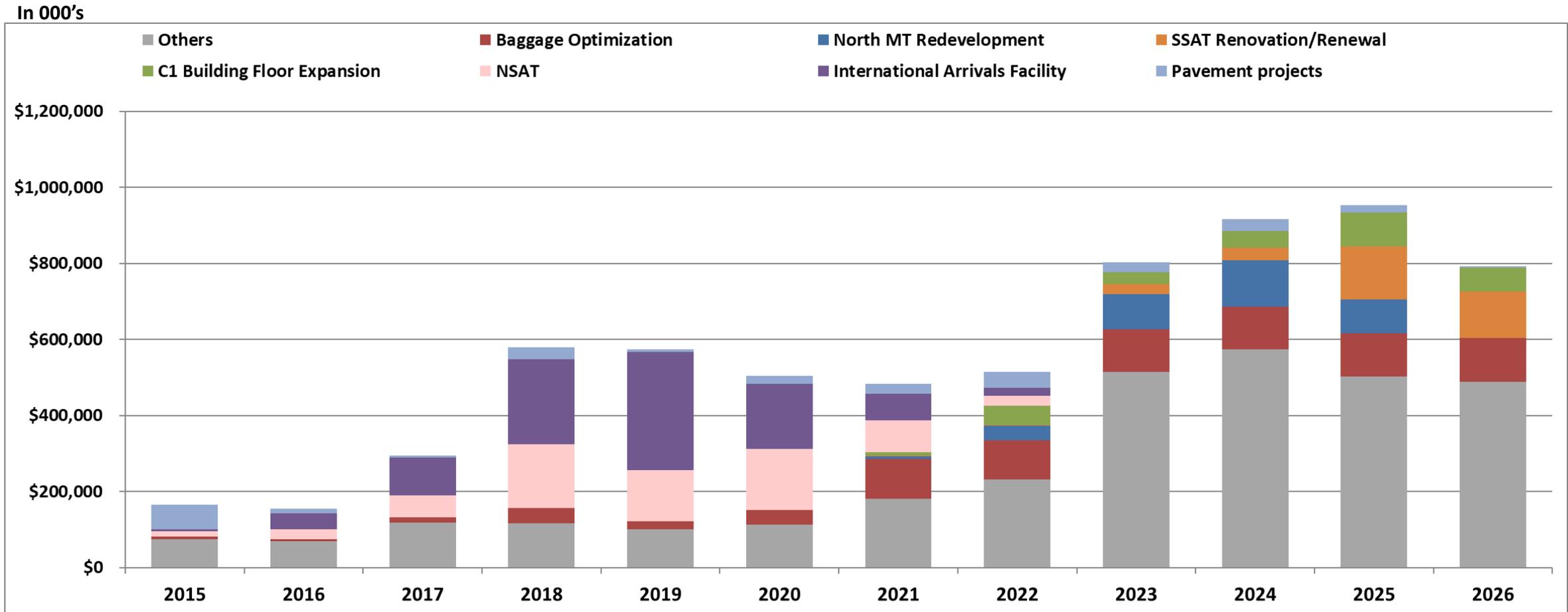


Federal Relief Grants Used to Surpass Debt Service Coverage Target

	in \$000's			Variance 2022 BUD vs. 2021 FCST
	2020 Actual	2021 Forecast	2022 Budget	
Revenues				
Aero	297,909	300,332	413,527	113,195
Non-aero without relief	116,473	189,379	262,565	73,186
Concession relief		(5,355)	(21,419)	(16,064)
Total Revenues	414,382	484,356	654,673	170,317
O&M	329,680	341,260	397,714	(56,454)
NOI	84,702	143,096	256,959	113,863
Federal Relief Grants Non-op	43,257	31,859	9,758	(22,101)
Concession Rent Relief Grants	-	5,355	21,419	16,064
CFC Excess			(5,588)	(5,588)
Other net non-operating	5,604	2,674	2,601	(73)
Available for debt service	133,562	182,984	285,149	102,165
Debt Service				
Gross debt service (net of cap i)	249,555	287,283	316,930	(29,647)
CFC offset	(13,601)	(14,168)	(18,711)	4,543
PFC offset	(36,390)	(59,158)	(82,258)	23,100
Federal Relief Grants DS offset	(103,891)	(128,807)	(66,300)	(62,507)
Net Debt Service	95,673	85,150	149,661	64,511
Debt Service Coverage	1.40	2.15	1.91	(0.24)

- Reflects preliminary grant use plan
- Majority of federal relief used to pay debt service
- Costs paid by grants excluded from airline rate base, thus reducing Aero revenues
- Concessions rent relief grant is cash flow neutral (lower operating revenues, higher grant revenues).

Capital Program Will Grow



Spending forecast does not include Sustainable Airport Master Plan near term projects

Updates on Progressing Major Capital Programs

In Design



C-1 Building Expansion

Scope: Add 4 floors to the existing 3 floor C1 Building.

Includes: Airport Dining and Retail space, office space, and lounge space.

Schedule: Q1 2021 – Q4 2027

Design Complete Q1 2023

Early Work Packages Start Q2 2022

Full Construction Starts Q2 2023

Substantial Completion Q4 2027

BUILDING EXPANSION

Proceeding to 30% Design



North Main Terminal Redevelopment Program

Scope: Alaska Airlines is sponsoring and managing a tenant reimbursable to redevelop of their Ticketing and other support areas of the Main Terminal to improve passenger check-in, bag drop and security screening capacity.

This program will be seeking full design authorization at the next Commission Meeting (10.26.2021)

Schedule: Q1 2021 – Q4 2024

Design Start Q3 2021

Phase 1 Construction Q1 2022 (Enabling Work)

Phase 2 Construction Q4 2022

At 60% Design



Concourse A Lounge Expansion Projects

Scope: Delta Air Lines is sponsoring and managing a tenant reimbursable project to build new structure at the end of concourse A to support an expanded Club @ SEA and new Delta Sky Club.

Schedule: Q2 2021 – Q3 2023

In PDD Development



South Satellite Renovation Program

Scope: This project will seismically and structurally strengthen the SSAT, complete the effort of bringing all its' building systems up to date, completely replace the lower-level FIS facility, and remodel and expand the retail, dining and club space on the upper floors of the facility.

Schedule: Q4 2021 – 2030

Design Begin Q1 2023

Construction NTP Q1 2025

Substantial Completion Q4 2029



Concourse A Duty Free

Scope: Design and construct a walk-through Duty Free on the A concourse, adjacent to the new IAF exit for connecting passengers. This project will provide 11,000 sq. ft. of new Duty Free space.

This project will be seeking funding to complete the Project Definition Document at the next Commission Meeting (10.26.2021)

Schedule: Q2 2022 – Q3 2026

- PDD Completion Q2 2022
- Design Begins Q3 2022
- Construction Q3 2023
- Completion Q3 2026

New/Updated Major Capital Programs



Starting PDD 2022

Main Terminal Improvements Program

Current CIP Funding in Capital Plan: \$396M

Scope Includes: Smoke control and sprinkler installation, ceiling, lighting, mezzanine security improvements, restroom renovations, ceiling signage, sewer & domestic water improvements.

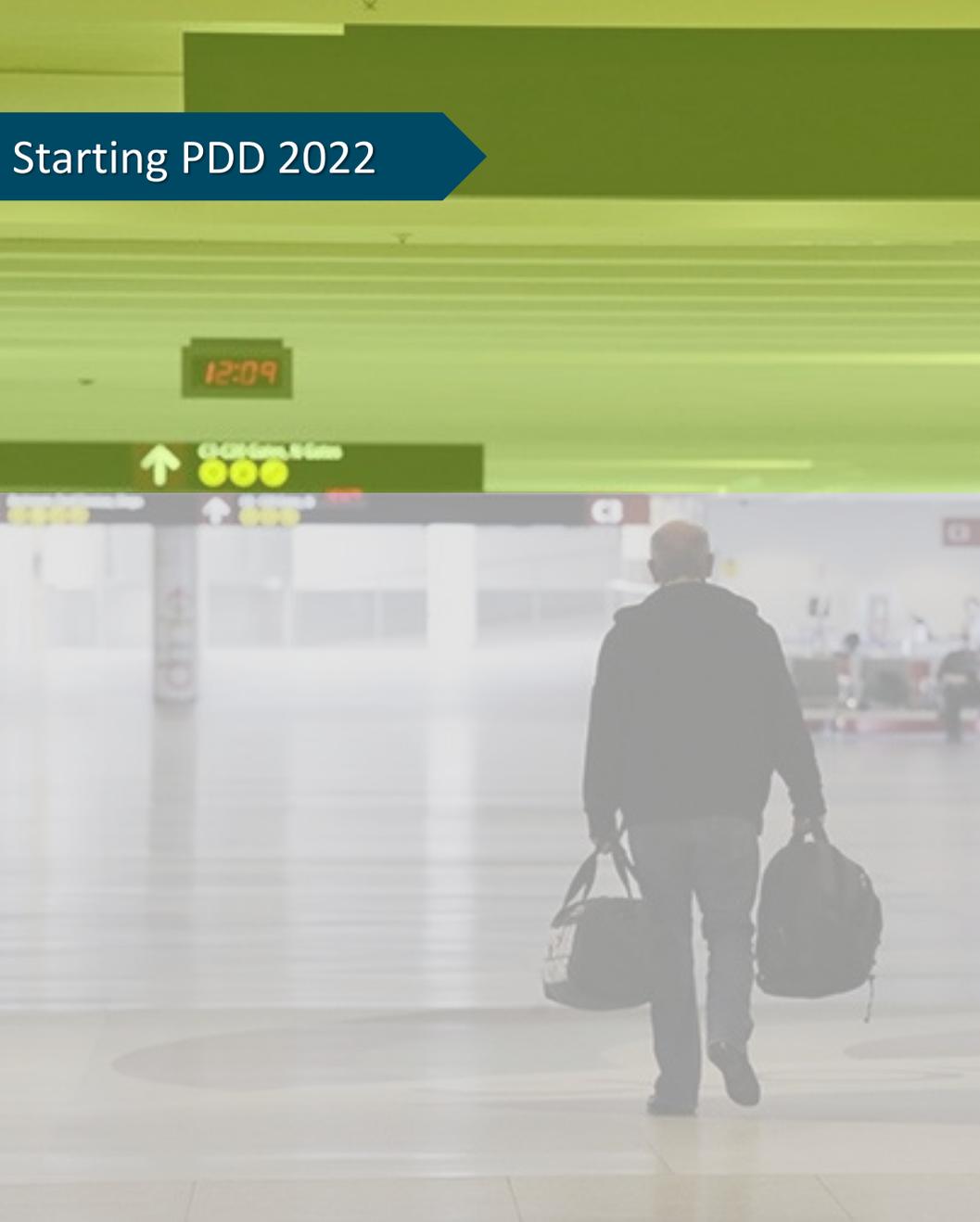
Program Additional Funding Estimate: \$404M

Scope Includes: Baggage level optimization plan implementation, bag claim devices renewal and replacement, elevator renewal and replacement, new signage, updated standards/requirements, aesthetic visioning implementation, sustainability and innovation program allowances.

Program Schedule Duration to 2033

Total Program Budget: \$800M

Starting PDD 2022



Concourse Modernization: CHIRRP (Concourses B, C & D)

Concourse HVAC Infrastructure Renewal Replacement Program

Current CIP Funding in Capital Plan: \$85M

Scope Includes: HVAC refurbishment triggering structural improvements. Interior ceiling renewal and replacement, address outstanding code issues.

Program Additional Funding Estimate: \$170M

Scope Includes: Lighting renewal replacement, smoke control, replacement of all ceiling mounted fixtures and signage.

Scheduled program over 8 years to 2029. Planned to phase one concourse at a time.

Total CHIRRP Budget: \$255M

Utility Master Plan*

Providing capital scope for utility trunklines feeding existing facilities that are exterior to our terminal complex.

Anticipated CIP Funding Required

Existing System Renewal and Replacement: \$ 250M

SAMP Near Term Projects Projected Costs: TBD

SAMP Long Term Vision Projected Costs: TBD

Resiliency Projects Projected Cost: TBD

**Important to note that the UMP likely won't be its own program but will instead inform other programs on what utilities are needed to support.*

Utility Masterplan provides for trunk and mainline replacement as well as major CMP replacements

Begin Project Development 2022



Utility Meter Networking

Regulatory Requirement

Scope: Renewal and replacement of 700 end of life electric meters. Implement a software solution for energy management.

Schedule: Q1 2022 – Q3 2027

Budget: \$35.6M Capital



Begin Project Development 2022

IWTP Program

Regulatory Requirement

Scope: Install a Pretreatment System, segregate Lagoon 3 to high and low BOD storages. Integrate the Pretreatment system to the existing Industrial Waste System.

Required program to meet permit levels.

Budget: \$100M

Capital Budget 2022 - 2026

	2021 FCST	Cash Flows (Figures in \$000s)					2022 - 26 TOTAL
		2022	2023	2024	2025	2026	
Mega Projects							
Baggage Optimization	105,610	104,000	112,000	111,800	113,000	115,000	555,800
North MT Redevelopment	6,612	38,575	93,123	122,403	89,120	167	343,388
SSAT Renovation/Renewal	1,534	1,571	26,045	34,154	140,625	121,667	324,062
C1 Building Floor Expansion	9,100	50,155	31,983	42,698	88,512	62,957	276,305
NSAT	84,602	27,347	-	-	-	-	27,347
International Arrivals Facility	68,439	20,509	-	-	-	-	20,509
Subtotal - Mega Projects	275,897	242,157	263,151	311,055	431,257	299,791	1,547,411
Other Capital Projects	202,890	326,204	360,407	355,766	226,757	74,666	1,343,800
SAMP Preliminary Planning / Design	2,692	8,471	31,059	54,095	60,000	49,000	202,625
Proposed New Projects	1,863	33,790	79,203	134,326	202,930	325,598	775,847
CIPs Reserves	-	-	12,000	23,000	33,000	43,000	111,000
Subtotal	483,342	610,622	745,820	878,242	953,944	792,055	3,980,683
CIP Cashflow Adj Reserve	-	(95,810)	57,486	38,324	-	-	-
Total Proposed CIP	483,342	514,812	803,306	916,566	953,944	792,055	3,980,683

- Proposing 24 projects totaling \$776M spending through 2026
- CIP Reserve CIPs represent around 3% of five-year capital budget
- Implementing CIP cash flow adjustment reserve to adjust 2022 cash flows

Major Projects

Major Projects	Estimated Cost						2022-2026
		2022	2023	2024	2025	2026	Total
SSAT Renovation/Renewal	1,000,000	1,571	26,045	34,154	140,625	121,667	324,062
IAF	948,789	20,509	-	-	-	-	20,509
Checked Bag Recap/Optimization	839,584	104,000	112,000	111,800	113,000	115,000	555,800
Main Terminal Improvement Prog	800,000	4,593	14,159	21,202	28,850	101,189	169,993
NSAT	691,916	27,347	-	-	-	-	27,347
North MT Redevelopment	350,000	38,575	93,123	122,403	89,120	167	343,388
C1 Building Floor Expansion	340,000	50,155	31,983	42,698	88,512	62,957	276,305
Noise projects	311,316	13,771	28,885	50,135	53,487	38,105	184,383
SAMP Planning	300,000	8,471	31,059	54,095	60,000	49,000	202,625
CIPs Reserves		-	12,000	23,000	33,000	43,000	111,000
Other Capital Projects		245,820	454,052	457,079	347,350	260,970	1,765,271
Total	5,581,605	514,812	803,306	916,566	953,944	792,055	3,980,683

Summary of Proposed New Projects

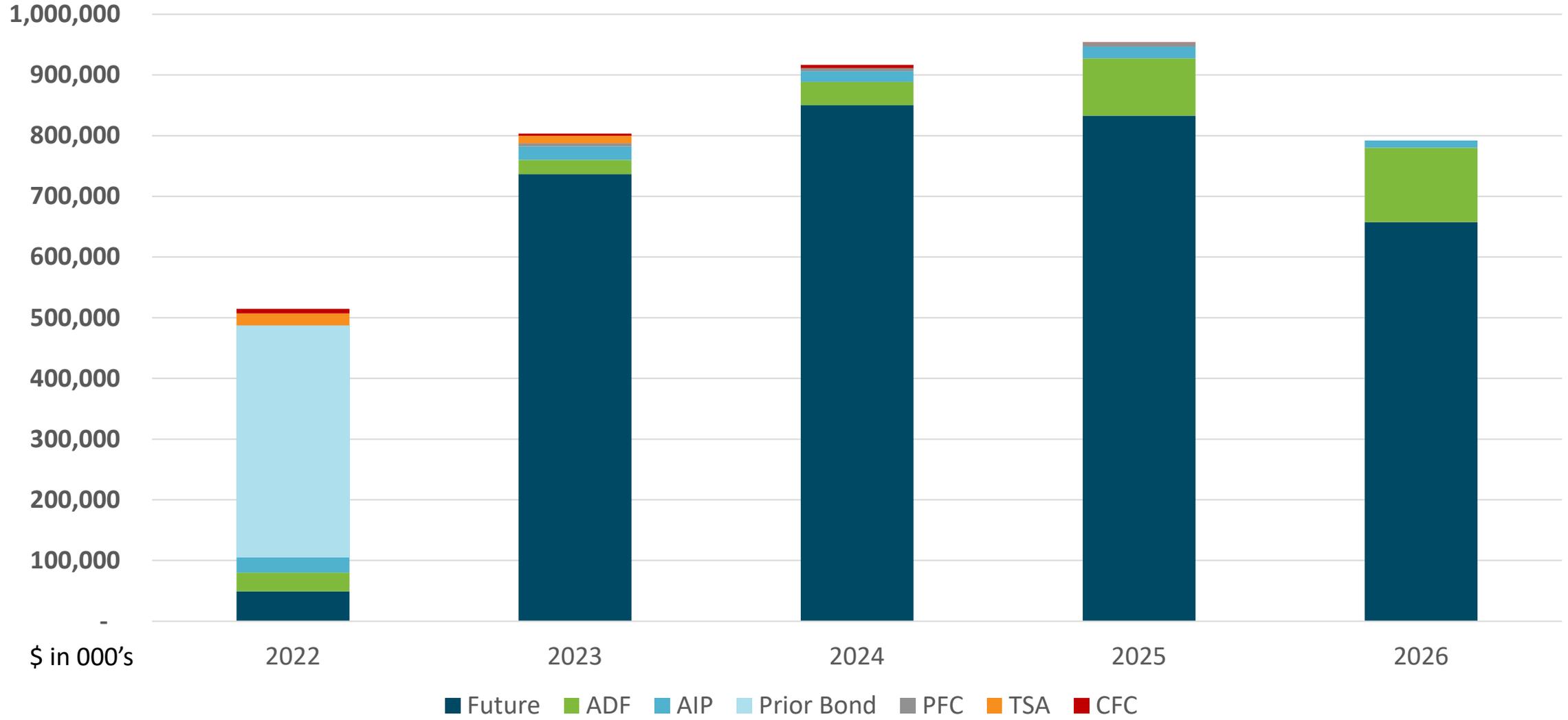
Justification	CIP	Description	Cost Estimate	Cash Flows (Figures in \$000s)						2022 - 26 TOTAL
				2021	2022	2023	2024	2025	2026	
Asset Stewardship	C801266	Main Terminal Improvement Prog	800,000	536	4,593	14,159	21,202	28,850	101,189	169,993
Asset Stewardship	C801265	Conc HVAC renewal & replace	255,000	20	2,537	5,680	17,434	36,258	54,229	116,138
Reserves	C801267	Utility Master Plan Allowance	238,392	-	-	19,000	30,000	61,000	97,000	207,000
Asset Stewardship	C801234	IWTP Program	100,000	-	6,765	6,883	24,192	31,788	29,740	99,368
Asset Stewardship	C801240	Utility Meter Networking	35,525	-	1,137	3,274	3,300	12,795	12,972	33,478
Safety/Security	C801226	AFLD Lighting/Auto FOD Detecti	35,500	-	-	593	1,251	5,690	19,211	26,745
Asset Stewardship	C801280	Concourse Low Voltage Upgrades	28,350	327	2,224	10,477	13,345	1,976	-	28,022
Asset Stewardship	C801256	2022 Eastside Firestation	20,000	-	5,000	5,000	5,000	5,000	-	20,000
Asset Stewardship	C801225	400HZ Replacement Conc C & D	16,500	-	-	838	2,298	5,301	6,875	15,312
Asset Stewardship	C801231	Building 161 D Retrofit	11,313	-	717	1,881	3,713	4,394	608	11,313
Asset Stewardship	C801223	DA and Condensate Sys Upgrades	9,805	-	-	787	1,588	4,381	3,049	9,805
Safety/Security	C801227	Airfield Snow Equipment	8,620	-	4,310	4,310	-	-	-	8,620
Asset Stewardship	C801236	M.Terminal Exterior wall rehab	7,585	-	560	1,360	2,777	2,790	97	7,584
Safety/Security	C801238	Public Access DAS Upgrade	5,600	-	510	1,717	2,962	411	-	5,600
Asset Stewardship	C801230	Boiler Room Upgrades	3,410	-	461	835	1,502	612	-	3,410
Safety/Security	C801235	Learning center Re-roof	3,010	-	319	678	1,525	488	-	3,010
Asset Stewardship	C801224	1947 Water Main - DBB	2,263	-	764	992	506	1	-	2,263
Asset Stewardship	C801239	Sanitary Pipe Replacement	2,000	-	84	133	201	621	621	1,660
Safety/Security	C801237	Mid Field Checkpoints	1,800	-	247	153	852	540	7	1,799
Asset Stewardship	C801233	Inform RMS Upgrade	1,300	-	975	325	-	-	-	1,300
Customer experience	C801272	SEA Virtual Queue	1,200	480	720					720
Asset Stewardship	C801271	JOC Water Tank Replace	1,100	500	600					600
Community & Environment	C801232	EV Chargers for AV Fleet	932	-	92	128	678	34	-	932
Asset Stewardship	C801228	AV Maintenance Lift Truck	800	-	800	-	-	-	-	800
Asset Stewardship	C801229	AVI Readers Refresh	375	-	375	-	-	-	-	375
Total			1,590,380	1,863	33,790	79,203	134,326	202,930	325,598	775,847

Capital Projects- Summary

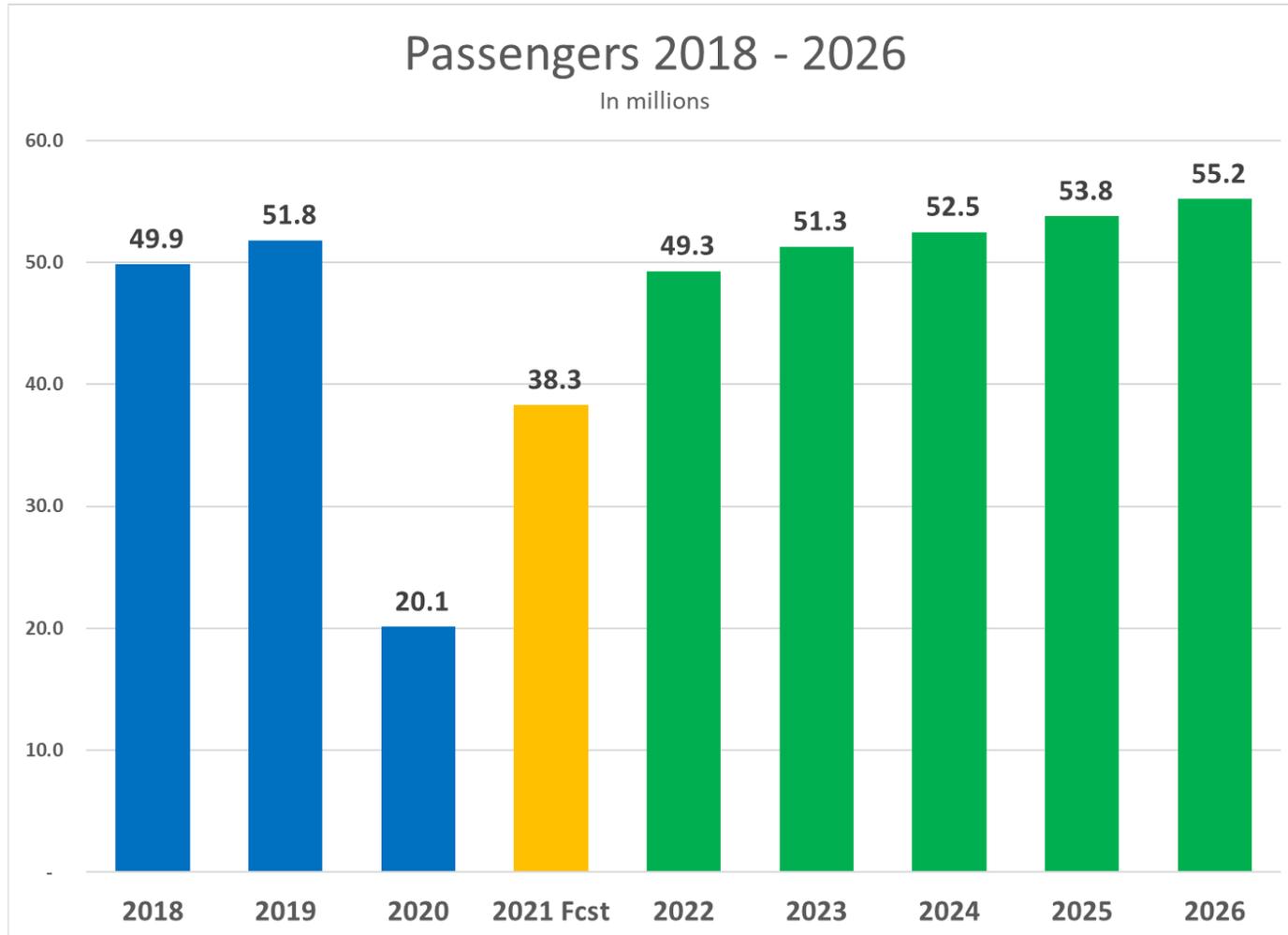
Capital Projects	CIP	2021 FCST	Cash Flows (Figures in \$000s)					2022 - 26 TOTAL
			2022	2023	2024	2025	2026	
Construction Authorized (Status 5-6)								
Checked Bag Recap/Optimization	C800612	105,610	104,000	112,000	111,800	113,000	115,000	555,800
2021-25 AFLD Pvmnt&Sprrt Infr	C800930	27,543	41,814	26,107	32,224	20,007	3,067	123,219
Upgrades STS Train Control	C801043	1,262	15,117	27,660	23,260	8,462	-	74,499
Restroom Upgrades Conc B, C, D	C800697	11,482	14,545	9,793	5,621	2,193	-	32,152
NS NSAT Renov NSTS Lobbies	C800556	84,602	27,347	-	-	-	-	27,347
International Arrivals Fac-IAF	C800583	68,439	20,509	-	-	-	-	20,509
Subtotal		298,938	223,332	175,560	172,905	143,662	118,067	833,526
Other Construction Authorized Capital Projects	Multiple	127,873	110,535	56,797	37,759	17,217	7,255	229,563
Total - Construction Authorized		426,811	333,867	232,357	210,664	160,879	125,322	1,063,089
Design Authorized (Status 4)								
North MT Redevelopment	C801204	6,612	38,575	93,123	122,403	89,120	167	343,388
C1 Building Floor Expansion	C800845	9,100	50,155	31,983	42,698	88,512	62,957	276,305
Apartment Sound Insulation	C200096	17	4,656	16,473	32,976	41,746	30,307	126,158
MT Low Voltage Sys Upgrade	C800061	3,703	21,300	18,700	17,700	16,200	5,283	79,183
Art Pool	C102066	506	3,551	5,454	6,161	6,522	4,769	26,457
Other Design Authorized Capital Projects	Multiple	25,839	80,852	132,287	106,653	43,636	2,356	365,784
Total - Design Authorized		45,777	199,089	298,020	328,591	285,736	105,839	1,217,275
Pending Authorization (Status 2-3)								
SSAT Renovation/Renewal	C801203	1,534	1,571	26,045	34,154	140,625	121,667	324,062
Utility Master Plan Allowance	C801267	-	-	19,000	30,000	61,000	97,000	207,000
Main Terminal Improvement Prog	C801266	536	4,593	14,159	21,202	28,850	101,189	169,993
Conc HVAC renewal & replace	C801265	20	2,537	5,680	17,434	36,258	54,229	116,138
Other Pending Capital Projects	Multiple	8,664	68,965	150,559	236,197	240,596	186,809	883,126
Total - Pending Authorization		10,754	77,666	215,443	338,987	507,329	560,894	1,700,319
Subtotal		483,342	610,622	745,820	878,242	953,944	792,055	3,980,683
CIP Cashflow Adj Reserve	C801141	-	(95,810)	57,486	38,324	-	-	-
Grand Total		483,342	514,812	803,306	916,566	953,944	792,055	3,980,683

- 27% authorized for construction
- 31% have some design authorized
- 42% have not been authorized
- Planning to spend an average \$791 million per year

Capital Funding Plan 2022-2026



Passenger Recovery Forecast



	Annual Change	Vs. 2019
2020	-61.2%	-61.2%
2021	90.5%	-26.1%
2022	28.7%	-4.9%
2023	4.1%	-1.0%
2024	2.3%	1.3%
2025	2.5%	3.8%
2026	2.6%	6.5%

- Surpass 2019 passenger level by 2024

Financial Forecast 2022 - 2026

In \$000's	Actual 2020	Forecast 2021	Budget 2022	Forecast 2023	Forecast 2024	Forecast 2025	Forecast 2026
Airline Revenue	\$ 297,909	\$ 300,304	\$ 413,527	\$ 478,463	\$ 532,669	\$ 571,841	\$ 639,553
Non-Airline Revenue ^(a)	116,473	184,024	241,146	279,861	295,757	311,326	335,162
Total Revenue	\$ 414,382	\$ 484,328	\$ 654,673	\$ 758,324	\$ 828,425	\$ 883,167	\$ 974,715
Operating Expense	329,680	341,260	397,714	421,003	439,423	454,391	466,340
Net Operating Income	\$ 84,702	\$ 143,068	\$ 256,958	\$ 337,321	\$ 389,003	\$ 428,775	\$ 508,375
Federal grants Non-Op Revenue	43,257	31,859	9,758	-	-	-	-
CRRSAA and ARPA concession relief	-	5,354	21,419	-	-	-	-
Net Non-Operating Income/Expense	5,604	2,674	2,601	9,160	10,855	11,437	11,760
CFC Excess ^(b)	-	-	(5,695)	(9,582)	(11,380)	(13,243)	(15,258)
Available for Debt Service	\$ 133,563	\$ 182,955	\$ 285,042	\$ 336,898	\$ 388,478	\$ 426,969	\$ 504,876
Gross Debt Service (net of cap i)	\$ 249,555	\$ 287,283	\$ 316,930	\$ 322,261	\$ 362,133	\$ 407,563	\$ 480,529
CFC Offset	(13,601)	(14,168)	(18,711)	(24,659)	(24,905)	(25,134)	(25,389)
PFC Offset	(36,390)	(59,158)	(82,255)	(103,945)	(89,085)	(98,586)	(101,128)
Federal grants DS offset	(103,891)	(128,807)	(66,300)	-	-	-	-
Net Debt Service	\$ 95,673	\$ 85,150	\$ 149,665	\$ 193,656	\$ 248,144	\$ 283,843	\$ 354,013
Net Cash Flow	\$ 37,890	\$ 97,805	\$ 135,377	\$ 143,242	\$ 140,334	\$ 143,127	\$ 150,864
<p>^(a) \$5.3M Federal grants for Concessionarie relief have been applied to reduce the 2021 revenues, and \$21.4M for 2022 budget.</p> <p>^(b) CFC collection in excess of CFC debt service/O&M is restricted and cannot be used for other revenue bond debt service</p>							

Financial Forecast 2022 – 2026 Metrics

	Actual 2020	Forecast 2021	Budget 2022	Forecast 2023	Forecast 2024	Forecast 2025	Forecast 2026
Key Measures							
Debt Service Coverage	1.40	2.15	1.90	1.74	1.57	1.50	1.43
ADF Balance - Months of O&M	10	14	14	16	18	18	18
CPE	\$ 27.43	\$ 14.01	\$ 15.35	\$ 17.34	\$ 18.92	\$ 19.86	\$ 21.78
O&M per Enplaned Passenger	\$ 32.82	\$ 17.78	\$ 16.14	\$ 16.43	\$ 16.73	\$ 16.88	\$ 16.90
Debt per Originating Passenger	\$ 538	\$ 244	\$ 218	\$ 243	\$ 279	\$ 313	\$ 333
Activity							
Enplaned Passengers(000's)	10,044	19,190	24,648	25,626	26,266	26,923	27,596
Growth Rate	-61%	91%	28%	4%	2%	3%	2%

APPENDIX – AVIATION DIVISION

Aviation Appendix Table of Contents

1. SWOT
2. Operating Budget
 - Explanation of Baseline Budget Changes
 - ERL summary
 - 2021 Budget Request – detail listing
 - FTE Reconciliation and itemized requests
 - Non-aeronautical revenue budgets by business unit
 - Federal relief grants use plan – cost center allocations

STRENGTHS, WEAKNESSES, OPPORTUNITIES AND THREATS

2021 SWOT: SEA

STRENGTHS

- Seattle is well positioned as an International Gateway
- Two high performing hub airlines with strong global alliances
- New Facilities: Opening IAF and NSAT will improve customer experience
- Employees' ability to adapt and innovate during operational disruptions, and employee engagement opportunities
- SEA brand, FlyHealthy@SEA, and tenant engagement strategies
- Federal relief – replenish fund balances and augment debt service coverage

2021 SWOT: SEA

WEAKNESSES

- Finances have been impacted by COVID 19
- Constrained land and aging facilities resulting in suboptimal level of service for tenants and passengers
- Project construction activities impact operations, customer service and non-aeronautical revenues
- Capital Program - affordability and resources to deliver the program to meet the expected LOS
- Staffing challenges (employee engagement, filling key positions, safety concerns returning to the office, diversity of internal staff)
- Competing, changing or unplanned priorities

2021 SWOT: Industry/Business Context

OPPORTUNITIES

- Regional economy remains strong, with a pent-up demand for travel
- Emerging Technologies to enhance customer experience, revenue and operational efficiencies : biometrics, app-based, pre-booking, and virtual queuing, etc.
- Future federal funding support for airports
- Leverage hub airline partner investments (e.g., Alaska NMTR – Delta Air lounge)
 - *IAF Facility will be an attraction for other international airlines*
 - *Explore prospects for new non-aeronautical revenues*
- Expect growth through AAG alliance with oneworld

2021 SWOT: Industry/Business Context

THREATS

- **Pandemic uncertainties** (variants, return of business travel, telework, lack of guidance on digital health passports, restrictions etc.)
- Airlines are in recovery mode and focus remains on cost cutting
- Volatile Construction Market
- Risk of meeting DBE, WMBE & SBE objectives
- Regulatory Changes and lack of agency resources
- Climate change and impact on airport resiliency
- Cyber attacks concerns (e.g., network security, ransomware, insider threats)
- **Community Concerns** (e.g., opposition to airport expansion, SAF, permit changes, biometrics)

BUDGET MANAGEMENT: BASELINE BUDGET CHANGES

Payroll Budget Up \$14M over 2021

- **Baseline Budget includes:**
 - 6% average pay increases for Non-Represented employees
 - Contractual pay increases for Represented employees
 - 5% Vacancy factor (reduces expected payroll costs)
 - 21 positions (new or unfrozen FTEs) approved during 2021
- **FTE Budget Requests include:**
 - 81.6 new FTEs (new or unfrozen)

Non-Payroll Budget Up \$30M over 2021

- **Non-Payroll Baseline Budget (\$4M) decrease:**
 - Increased AVPMG consulting costs to support Aviation capital program
 - Contractual increases for existing contracts, some additional costs for new facilities and other expenses related to returning passenger volumes
 - Partially offset by:
 - \$15M higher Charges to Capital (reduces Non-Payroll expense)
 - \$1M lower ERL expense
- **Non-Payroll New Budget Requests \$34M increase:**
 - Includes costs for new facilities, airline realignment and other expenses related to a growing capital program
- **Net Non-Payroll budget increase of \$30M and 34%**

Summary of Changes in Aviation Direct Expenses

2022 Budget - Aviation Direct Expenses:		\$000's
<u>Payroll Increases</u>		
Payroll Increase related to existing FTEs (baseline)		9,050
Proposed new FTEs (budget requests)		5,247
Total Payroll Increases		14,297
<u>Non-Payroll Increases</u>		
AVPMG consulting services (100% charged to capital)	13,970	
Lower ERL expense	(1,016)	
Higher estimated Charges to Capital (decrease to OpExp)	(15,136)	
All other Non-Payroll changes in baseline budget	58	
Net impact of Non-Payroll changes (baseline budget)		(2,124)
Proposed additional Non-Payroll expense (new budget requests)		33,864
Total Non-Payroll Increases		29,978
Total 2022 Budget - Aviation Direct Expense Cost Increases		44,275

Change in Charges to Capital

2022 Charges to Capital compared to 2021 Approved Budget:		\$000's
<u>Higher estimated Charges to Capital (decrease to OpExp)</u>		
AVPMG incremental consulting & OH charged to Capital	12,173	
AVPMG increased payroll costs charged to Capital	2,074	
All other increased Aviation payroll costs charged to Capital	699	
Increase in all other AV non-payroll Charges to Capital	190	
Total increase in Charges to Capital		15,136

Cost Reductions

2022 Baseline Cost Reductions/Savings:		\$000's
<u>Payroll Savings (before new FTE requests)</u>		
Increase in Payroll Vacancy (5.0% assumption) in 2022 Budget	6,650	
Removal of eliminated FTEs (or expired Limited Duration positions)	554	
Total Payroll cost reductions		7,204
Total Non-Payroll cost reductions		23
Total 2022 Baseline Cost Reductions		7,228

Baseline Cost Increases

2022 Baseline Cost Increases compared to 2021 Revised Budget:		\$000's	2022 Baseline Cost Increases continued:		\$000's
<u>Payroll Increases (before new FTE requests)</u>			<u>Non-Payroll Cost Increases due to revenue growth</u>		
Non-Represented Annual Increases (Pay & Benefits)	3,597		Clubs & Lounges - higher usage/increased volume	967	
Represented Annual Increases (Pay & Benefits)	6,010		Credit Card usage fee increases	906	
Annualized new FTEs approved in 2021 Budget	1,393		B&O tax increase	897	
Add New FTEs approved in 2021 (mid-year approvals)	3,197		Total Non-Payroll Cost Increases due to revenue growth	2,770	
Grade/Equity Changes	1,701		<u>Other Non-Payroll Cost Increases</u>		
All other payroll increase/adjustments	355		AVM contract increases	3,046	
Total Baseline Payroll Increases	16,254		Utilities increase (rate & usage)	767	
<u>Non-Payroll Cost Increases due to growing Capital Program</u>			Restore travel to 75% of 2020 Approved Budget	1,180	
AVPMG Outside Services consulting costs (100% charged to Capital)	13,970		All other Non-Payroll increases to Baseline	137	
Baseline Cost Increases continued:			Other Non-Payroll Increases (zero based budgeting)	5,129	
			Total 2022 Baseline Cost Increases	38,122	

Environmental Remediation Liability Expense

ERL Expense <i>Org Basis (in 000's)</i>	2019 Actual	2020 Actuals	2021 Budget	2021 Forecast	2022 Budget	Budget Change 2022 B v 2021 B	
						\$	%
North Satellite							
Asbestos	10,744	(86)		(435)		-	n/a
Contaminated Soils	3,585	(741)		483		-	n/a
NSAT - ERL Expense	14,329	(827)	-	47	-	-	n/a
South Satellite							
SSAT - HVAC Infrastructure Upgrade	4,323	-				-	n/a
SSAT - ERL Expense	4,323	-	-	-	-	-	n/a
International Arrivals Facility							
Asbestos	(767)	(61)		7		-	n/a
Contaminated Soils	(1,092)	139		7		-	n/a
IAF - ERL Expense	(1,860)	78	-	14	-	-	n/a
Airport Employee Services Ctr			1,067	1,047		(1,067)	-100%
Baggage Optimization Phase 2			316	316		(316)	-100%
Phase 2 eGSE charging stations			502	202		(502)	-100%
Lora Lake (lake parcel)	(1,066)	(1,846)		55		-	n/a
All other RMM expense	174	234	116	759	985	869	749%
Total ERL Expense	15,900	(2,361)	2,001	2,440	985	(1,016)	-51%

BUDGET REQUESTS



Summary of Budget Requests

Budget Request Category	# of Requests	2022 Budget Requests			
		FTEs	Baseline	Non-Recurring	Total
Health and Safety	28	11.0	1,983,180	1,896,995	3,880,175
Security	8	3.0	370,856	223,500	594,356
Employee Engagement	4	-	23,010	144,500	167,510
Community	8	-	220,000	790,250	1,010,250
Innovation and Efficiencies	14	3.0	528,493	243,929	772,422
Social Responsibility	1	-	-	100,000	100,000
Customer Experience	39	17.6	7,456,892	1,420,792	8,877,684
Environment and Sustainability	22	-	717,000	1,554,695	2,271,695
Financial Sustainability	9	3.0	296,677	1,295,000	1,591,677
Asset Management, Capital Projects, and Planning	70	44.0	4,667,764	15,178,168	19,845,932
2022 Budget Requests - Total Proposed	203	81.6	\$ 16,263,872	\$ 22,847,829	\$ 39,111,701
2022 Budget Requests - Initial Requested	247	106.6	\$ 22,255,809	\$ 26,606,920	\$ 48,862,729

Budget Requests: Health and Safety

AV Priority	Problem / Need / Opportunity	Solution	2022 Budget Requests			
			FTEs	Baseline	Non-Recurring	Total
Health and Safety	Maintain and Improve Safety of Airport Operations Area	UPM Pest Control Contract (Western)	-	627,000	-	627,000
		Fire Protection and Fire Prevention	-	-	500,000	500,000
		Fire Apparatus Maintenance Contract (additional)	-	-	400,000	400,000
		Airfield Operations Specialists	4.0	260,489	-	260,489
		Travel and Training Supplemental Funding	-	-	157,000	157,000
		Firefighters	3.0	154,911	-	154,911
		UPM Coordinator	1.0	109,345	-	109,345
		Airport Duty Manager	1.0	83,424	-	83,424
		Bunker Gear	-	-	98,210	98,210
		Safety Compliance Specialist	1.0	68,349	-	68,349
		ADA Seating STS and Respite	-	-	86,542	86,542
		Alarm Technician	1.0	74,297	-	74,297
		Airfield/Gate Striping Design Support	-	-	75,000	75,000
		LiftNet Technical Support	-	75,000	-	75,000
		Overheight Warning System Installation	-	-	67,200	67,200
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Budget Requests: Health and Safety, ctd.

AV Priority	Problem / Need / Opportunity	Solution	2022 Budget Requests				
			FTEs	Baseline	Non-Recurring	Total	
Health and Safety, ctd.	Maintain and Improve Safety of Airport Operations Area, ctd.	Mammal Hazard Mitigation Contractor	-	50,000	-	50,000	
		UPM Coordinator Services Contract (Avisure)	-	-	50,000	50,000	
		Enhanced Driver Training Material Development	-	-	48,500	48,500	
		AOB: Hot Desk/Office Equip	-	-	40,058	40,058	
		Bagwell Signage	-	-	30,000	30,000	
		Stanchions Renew and Replacement	-	28,565	-	28,565	
		Slide in Snow Sanders	-	-	25,500	25,500	
		Fire Hose	-	20,000	-	20,000	
		Privacy Screen Renewal and Replacement	-	-	18,985	18,985	
	Facility Life-Safety Enhancements	Public Access AED Replacement	-	-	300,000	300,000	
	Reduce Wildlife Strikes	Bird Trapping Contractor	-	199,300	-	199,300	
		Raptor Strike Avoidance Program (RSAP) Contract	-	82,500	-	82,500	
	Prepare for Emergencies	Multi-Year Preparedness/Resiliency Exercise Support	-	150,000	-	150,000	
	Health and Safety Total			11.0	\$ 1,983,180	\$ 1,896,995	\$ 3,880,175

Budget Requests: Security

AV Priority	Problem / Need / Opportunity	Solution	2022 Budget Requests			
			FTEs	Baseline	Non-Recurring	Total
Security	Maintain and Enhance Overall Security at the Airport	Electronic Technician	1.0	130,741	-	130,741
		Aviation Security Compliance Coordinator	1.0	108,009	-	108,009
		See Say Airport App - Annual Service / Use fee	-	-	127,500	127,500
		Credential Center Background Specialist	1.0	88,105	-	88,105
		Cell phones for AV Sec SAC/FES/CSS teams	-	-	86,000	86,000
		Regulatory "No Fly" monitoring contract	-	24,000	-	24,000
		IAF Security Lock Core Support Contract	-	20,000	-	20,000
		SEA Safety Act Certification Application Maintenance	-	-	10,000	10,000
Security Total			3.0	\$ 370,856	\$ 223,500	\$ 594,356

Budget Requests: Employee Engagement

AV Priority	Problem / Need / Opportunity	Solution	2022 Budget Requests			
			FTEs	Baseline	Non-Recurring	Total
Employee Engagement	Foster Employee Development and Leverage Talent	2022 Av Sec Ops Uniform	-	-	105,000	105,000
		Right Sizing accounts	-	23,010	-	23,010
		AVBP Team Relocation within AOB	-	-	23,000	23,000
		Misc. Small Requests	-	-	16,500	16,500
Employee Engagement Total			-	\$ 23,010	\$ 144,500	\$ 167,510

Budget Requests: Community

AV Priority	Problem / Need / Opportunity	Solution	2022 Budget Requests			
			FTEs	Baseline	Non-Recurring	Total
Community	Promotional Hosting, Sponsorships and Other	2022 AAAE Annual Conference Sponsorship	-	-	650,000	650,000
		OTF Vegetation Control	-	120,000	-	120,000
		OTF Dumping Control - Prevention	-	80,000	-	80,000
		AMAC Sponsorship	-	10,000	-	10,000
		Promotional Hosting for Airline Executives - Promo Hosting and Employee Food	-	10,000	-	10,000
	Airport Noise Mitigation	Noise Sound Insulation Homeowner Handbooks	-	-	79,000	79,000
		Ground Noise Study	-	-	36,250	36,250
		Part 150 Noise and Land Use Study Update	-	-	25,000	25,000
	Community Total			-	\$ 220,000	\$ 790,250

Budget Requests: Innovations and Efficiencies

AV Priority	Problem / Need / Opportunity	Solution	2022 Budget Requests			
			FTEs	Baseline	Non-Recurring	Total
Innovation and Efficiencies	Keep Up with Growth of the Airport	Manager Airport Operations	1.0	121,428	-	121,428
		Sr Operations Controller	1.0	71,422	-	71,422
		Admin Assistant to COO	1.0	49,643	-	49,643
		Airport Integrated Control Center planning effort	-	-	50,000	50,000
		AOB: Surface Hubs	-	-	37,372	37,372
		AV Ops Consultant Services	-	-	30,000	30,000
		AAAE Art in the Airports	-	-	25,000	25,000
		AAAE supplemental contribution	-	-	25,000	25,000
		Common Use Bag Sizers	-	-	22,805	22,805
		AOB: Mobile Power Units	-	-	13,752	13,752
	Passenger Processing and Safety	Virtual Queueing Software	-	236,000	-	236,000
		General Signage Procurement	-	50,000	-	50,000
		Facial Recognition Consultant Procurement	-	-	15,000	15,000
	Leverage Employee Innovation to Solve Business Challenges	Crowdsourced Innovation Challenge Software	-	-	25,000	25,000
	Innovation and Efficiencies Total			3.0	\$ 528,493	\$ 243,929

Budget Requests: Social Responsibility

AV Priority	Problem / Need / Opportunity	Solution	2022 Budget Requests			
			FTEs	Baseline	Non-Recurring	Total
Social Responsibility	Combat Human Trafficking	Human Trafficking training	-	-	100,000	100,000
Social Responsibility Total			-	\$ -	\$ 100,000	\$ 100,000

Budget Requests: Customer Experience

AV Priority	Problem / Need / Opportunity	Solution	2022 Budget Requests			
			FTEs	Baseline	Non-Recurring	Total
Customer Experience	Processing Passengers	ACCS Contract - VIP Hospitality	-	4,100,000	-	4,100,000
		Cruise Transportation Coordinators	2.8	256,447	-	256,447
		Language Line (Interpretive Services) - Budget Increase	-	-	140,000	140,000
		Pathfinders (Airport Customer Svc Rep)	2.0	105,008	-	105,008
		Realign SSAT and A glass Walls Post IAF	-	-	131,873	131,873
		Airport Duty Manager - Terminal	1.0	86,964	-	86,964
		Sr. Sign Grphcs Dsgn Spec	1.0	73,870	-	73,870
		Landside Supervisor	1.0	70,902	-	70,902
		Ground Transportation Controller	1.0	48,435	-	48,435
		Parking Cashiers	1.0	46,460	-	46,460
		Laborer Parking/Fueler Cleaner	1.0	49,255	-	49,255
		Prospect - Wheelchair Assistance	-	55,000	-	55,000
		Seasonal Bus Drivers	1.8	54,582	-	54,582
		Regulatory and Informational Signage Consultant	-	-	50,000	50,000
		Accessibility Customer Service Elevation	-	40,000	-	40,000
		Additional stanchions for Rental Car queueing	-	-	30,000	30,000
		Flight Information Display Design	-	-	25,000	25,000
Transoft Solutions Maintenance Fees	-	3,000	-	3,000		

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Budget Requests: Customer Experience, ctd.

AV Priority	Problem / Need / Opportunity	Solution	2022 Budget Requests			
			FTEs	Baseline	Non-Recurring	Total
Customer Experience, ctd.	Facilities Cleanliness and Appearance	Airport wide window cleaning budget reinstatement	-	636,000	-	636,000
		Standard waste receptacle purchase	-	-	412,300	412,300
		Zone 1 Contract price increase	-	499,000	-	499,000
		Zone 3 contract price increase	-	465,000	-	465,000
		Smart Restroom technology subscription	-	-	140,000	140,000
		Aviation Field Technician	1.0	100,364	-	100,364
		Painter	1.0	99,067	-	99,067
		SEA Restroom Digital Signage	-	-	100,000	100,000
		AV F&I Intermediate Engineer	1.0	65,993	-	65,993
		DC Inventory Specialist	1.0	36,591	-	36,591
		NW CASCADE - Honey Buckets restrooms cell phone lot	-	13,000	-	13,000

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Budget Requests: Customer Experience, ctd.

AV Priority	Problem / Need / Opportunity	Solution	2022 Budget Requests			
			FTEs	Baseline	Non-Recurring	Total
Customer Experience, ctd.	Strategic Customer Experience Improvements	QA Program - New Budget Request	-	270,000	-	270,000
		Replace Food Court Seating	-	-	242,656	242,656
		Customer Communications Manager	1.0	98,549	-	98,549
		Seating Replacement	-	-	83,963	83,963
		Virtual Concierge Pilot Program	-	-	65,000	65,000
		Live Music Program - ADR	-	60,000	-	60,000
		Temporary Art Exhibition	-	50,000	-	50,000
		Baseline Restoration, Terminal Education	-	35,000	-	35,000
		Rightsizing Employee Expenses - Upgrades	-	8,406	-	8,406
	Host Targeted Training to Deliver Exceptional Customer Service	Customer Service Training	-	30,000	-	30,000
Customer Experience Total			17.6	\$ 7,456,892	\$ 1,420,792	\$ 8,877,684

Budget Requests: Environment & Sustainability

AV Priority	Problem / Need / Opportunity	Solution	2022 Budget Requests			
			FTEs	Baseline	Non-Recurring	Total
Environment and Sustainability	Be the Greenest and Most Energy-Efficient Port in North America	Building Energy Efficiency Audit	-	-	200,000	200,000
		NREL Athena Passenger Mode Choice Model	-	-	125,000	125,000
		100% Renewable Diesel	-	80,000	-	80,000
		Baseline Restoration, Land Stewardship Program	-	75,000	-	75,000
		Transportation Mgmt Assoc Consulting Contract	-	-	75,000	75,000
		PFAS, Ongoing Investigations & Planning	-	-	60,000	60,000
		Land Stewardship Goals and Development Standards	-	-	45,000	45,000
		IWTP O&M manual	-	-	30,000	30,000
		Sustainable Project Framework Support	-	-	25,000	25,000
		Baker Tank Deicer Rental Storage	-	24,000	-	24,000
		Baseline Restoration, Green Building Support	-	20,000	-	20,000
		Baseline Restoration, Recycling Program Support	-	20,000	-	20,000
		Digital Transit Ticket Pilot Program	-	-	20,000	20,000
		Zonar installation	-	-	19,695	19,695
		Zonar app	-	8,000	-	8,000

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Budget Requests: Environment & Sustainability, ctd.

AV Priority	Problem / Need / Opportunity	Solution	2022 Budget Requests			
			FTEs	Baseline	Non-Recurring	Total
Environment and Sustainability, ctd.	Environmental Compliance	Cargo Rooftop Coatings to Prevent Release of Zinc in Stormwater	-	-	563,000	563,000
		International Waste Handling and Disposal	-	290,000	-	290,000
		Baseline: Compliance & Support: SEPA/NEPA Consultant Support to non-SAMP projects	-	200,000	-	200,000
		SAMP Critical Areas Permitting & Mitigation	-	-	165,000	165,000
		Final Mitigation Performance Monitoring for Portions of the 1997 Master Plan Update	-	-	150,000	150,000
		Flight Corridor Safety Program Restoration	-	-	60,000	60,000
		Salmon Safe Recertification	-	-	17,000	17,000
Environment and Sustainability Total			-	\$ 717,000	\$ 1,554,695	\$ 2,271,695

Budget Requests: Financial Sustainability

AV Priority	Problem / Need / Opportunity	Solution	2022 Budget Requests			
			FTEs	Baseline	Non-Recurring	Total
Financial Sustainability	Air Service Development	2022 New Air Service Incentives	-	-	975,000	975,000
	Keep Airline Costs Competitive Through Increased Non-Aeronautical Revenues and Improved Business Processes	Financial Consulting - SLOA_WJ Advisors	-	-	100,000	100,000
		GT Consultant for On-Demand Pilot Program	-	-	100,000	100,000
		Lease Administration Supervisor	1.0	91,047	-	91,047
		RCF Small Operator Improvements	-	-	70,000	70,000
		Rightsizing of budget for AV F&B	-	9,017	-	9,017
		Senior Financial Analyst AV	1.0	95,357	-	95,357
		TNC trip tracking module upgrade to Gatekeeper	-	-	50,000	50,000
		Yield Management Analyst	1.0	101,256	-	101,256
		Financial Sustainability Total		3.0	\$ 296,677	\$ 1,295,000

Budget Requests: Asset Management, Capital Projects, and Planning

AV Priority	Problem / Need / Opportunity	Solution	2022 Budget Requests			
			FTEs	Baseline	Non-Recurring	Total
Asset Management, Capital Projects, and Planning	Meet the Maintenance Needs and Standards of the Existing Facilities	Airline Realignment	-	-	6,578,019	6,578,019
		On-Call Planning	-	-	1,775,000	1,775,000
		ADR Onsite Consultant	-	-	1,220,000	1,220,000
		Asset Management Program Development	-	-	800,000	800,000
		STOC Building Furniture and Equipment Acquisition	-	-	700,000	700,000
		Utility Master Plan	-	-	700,000	700,000
		Operating Engineers	4.0	414,410	-	414,410
		A12A Jet Bridge TRA	-	-	315,849	315,849
		Wiremen	3.0	312,877	-	312,877
		Siemens DDC Contract Increase	-	270,000	-	270,000
		Small Works Construction Services	-	250,000	-	250,000
		Webb Baggage support contract	-	200,000	-	200,000
		Park Assist Agreement	-	190,000	-	190,000
		IAF Elevator Escalator and Moving walkway	-	160,000	-	160,000
		Chiller Repair & Maintenance Contract Increase	-	150,000	-	150,000
		Planning funds for Emergency Radio System In-Building Coverage Program	-	-	150,000	150,000
		Operating Engineers	2.0	138,137	-	138,137
		Carpenters	2.0	137,466	-	137,466

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Budget Requests: Asset Management, Capital Projects, and Planning, ctd.

AV Priority	Problem / Need / Opportunity	Solution	2022 Budget Requests			
			FTEs	Baseline	Non-Recurring	Total
Asset Management, Capital Projects, and Planning, ctd.	Meet the Maintenance Needs and Standards of the Existing Facilities, ctd.	Bldg 196B Demolition	-	-	135,000	135,000
		2022 Airfield Pavement Management Program (APMP)	-	-	134,400	134,400
		Senior Manager, AV Planning	1.0	125,450	-	125,450
		SafeDock Maintenance Service Agreement	-	121,540	-	121,540
		Baggage Operation Systems Supervisor	1.0	118,127	-	118,127
		ADR Consultant	-	113,000	-	113,000
		IAF Biohazard Containers in Restrooms	-	-	110,300	110,300
		Shared Tenant Telecom Services	-	-	110,000	110,000
		Biometric Air Exit Vendor Support	-	107,500	-	107,500
		Chiller 6 Repair	-	-	100,000	100,000
		Automated Control Specialist	1.0	99,780	-	99,780
		Wiremen	2.0	89,672	-	89,672
		Utility Worker Electrical	1.0	88,454	-	88,454
		Baggage Handling System Asst. Manager	1.0	85,181	-	85,181
		Capital Project Manager III	5.0	85,031	-	85,031
		AVM CIP Exp Proj Liaison	1.0	74,411	-	74,411
		Maintenance Plan/Coor AV	1.0	74,134	-	74,134
AV F&I Architect	1.0	71,992	-	71,992		

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Budget Requests: Asset Management, Capital Projects, and Planning, ctd.

AV Priority	Problem / Need / Opportunity	Solution	2022 Budget Requests			
			FTEs	Baseline	Non-Recurring	Total
Asset Management, Capital Projects, and Planning, ctd.	Meet the Maintenance Needs and Standards of the Existing Facilities, ctd.	AV F&I Engineer - Communications	1.0	71,992	-	71,992
		Utility Critical Spares and Repairs	-	70,000	-	70,000
		Restore Budget for utility vehicle replacements	-	63,000	-	63,000
		Replace CUSE Equipment	-	61,000	-	61,000
		ATR Consultant - SD#2 Bus & Op Coordination	-	-	50,000	50,000
		Internal Audit Recommended Software	-	50,000	-	50,000
		STS Materials One-Time Purchase	-	-	50,000	50,000
		Support EGSE Equipment	-	50,000	-	50,000
		International Arrivals Facility Landscape Maintenance & External Service Areas	-	50,000	-	50,000
		System Training	-	-	50,000	50,000
		Sr Administrative Assistant	1.0	39,657	-	39,657
		Runway Closure Lights (X lights) 3 each	-	-	39,600	39,600
		VMS Signs, 3 each	-	-	39,000	39,000
		Jr Controller	2.0	35,439	-	35,439
		Baggage Handling Control System Technical Support	-	34,500	-	34,500
		Project Controls Technician	1.0	33,054	-	33,054
Dam Safety Sheet Piling Inspection	-	-	30,000	30,000		

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Budget Requests: Asset Management, Capital Projects, and Planning, ctd.

AV Priority	Problem / Need / Opportunity	Solution	2022 Budget Requests			
			FTEs	Baseline	Non-Recurring	Total
Asset Management, Capital Projects, and Planning, ctd.	Meet the Maintenance Needs and Standards of the Existing Facilities, ctd.	Bldg 196 Complex Maintenance	-	30,000	-	30,000
		Estimator	1.0	25,135	-	25,135
		Program Controls Support Supervisor	1.0	22,716	-	22,716
		OTF Title Reports	-	20,000	-	20,000
		Capital Project Manager I	2.0	16,401	-	16,401
		Assistant Project Manager	2.0	16,050	-	16,050
		Capital Project Manager IV	1.0	14,110	-	14,110
		Sr. Project Controller	1.0	13,127	-	13,127
		Doc Controls Coordinator	1.0	10,338	-	10,338
		AAAC & SLOA V Catering	-	-	6,000	6,000
	Consultant Support for PM and Controls Services	-	-	(0)	(0)	
	Complete the Sustainable Airport Master Plan (SAMP)	SAMP NTP Environmental Review	-	-	1,500,000	1,500,000
	Maintain Airport Art	2022 Art Conservation	-	-	535,000	535,000
		Art Technician	1.0	97,275	-	97,275
		One-time Art Consultant in lieu of Art Manager position	-	-	50,000	50,000
	Implement Operational Readiness and Airport	ORAT Mgr	2.0	248,324	-	248,324
		ORAT Specialist	1.0	118,483	-	118,483
Asset Management, Capital Projects, and Planning Total			44.0	\$ 4,667,764	\$ 15,178,168	\$ 19,845,932

Planning Studies Detail

On-Call Planning	Amount	Description
STS Long-Term Planning	\$750,000	Additional expense funded planning required to complete the STS Long-Term Planning Study that will be initiated in Q4 2021.
CRDC/Load Dock Study	\$300,000	Detailed evaluation of the existing load dock area activity, capacity and space requirements; and the location and operation of a potential Centralized Receiving and Distribution Center.
GTAP Eastside	\$75,000	Placeholder for potential study to improve airport access for eastside air passengers (TBD through additional stakeholder outreach in 2021 and early 2022).
GIS Assessment & Imp Plan	\$150,000	Identifies potential improvements in data organization and data flows to increase planning, design, and operational efficiency.
TOTAL	\$1,275,000	
CAPITAL Programs		
Signage and Wayfinding Implementation Plan	\$150,000	The Signage and Wayfinding Master Plan (SWMP) has been completed and now requires an implementation plan to provide the most efficient and cost-effective way to deliver it. This implementation plan will provide for GIS mapping for existing signage inventory and new signage relationship mapping. The plan will result in a coherent and scheduled program that aligns signage work with existing and future capital projects, bundling work as necessary or developing stand-alone installations. This plan will also provide estimates for the packages.
Connectivity to North Gates	\$350,000	Advanced planning conducted in 2021 to refine the SAMP North Gates concept included a preliminary assessment of a bridge and a tunnel pedestrian connection between the North Satellite and the North Gates. The objective of this work was to understand, at a very high level, the vertical circulation and space requirement impacts to the North Gates under each option in order to develop blocking and stacking diagrams for concourse alternatives. Prior to launching into a capital funded preliminary design of the North Gates in Q3 2022, additional study is needed to fully develop and evaluate the bridge and tunnel options across a broader range of criteria in order to determine a recommended alternative.
TOTAL	\$500,000	

FTE SUMMARY AND DETAILED REQUESTS

2022 FTE Reconciliation

2022 Proposed Budget FTEs	FTEs	%
2021 Approved Budget - funded FTEs	1,144.40	
2021 Changes in FTEs during the year		
2021 mid-year FTE additions - new FTEs	6.00	
2021 mid-year FTE additions - unfreeze FTEs	15.00	
2021 Mid-year Changes in FTEs	21.00	1.8%
FTEs in 2022 Baseline Budget BEFORE Budget Requests	1,165.40	
Proposed New FTEs in 2022 Budget:		
Unfreeze existing vacant FTEs for hiring	36.60	
New FTEs - strategic functions	45.00	
Proposed Increase in 2022 Budget FTEs	81.60	7.1%
FTEs in Proposed Aviation 2022 Budget	1,247.00	9.0%
<i>Note: above incremental 2022 FTE percent changes compared to 2021 Approved Budget</i>		
2022 Proposed FTEs compared to 2020 Approved Budget FTEs	1,246.74	0.0%

New FTE Requests Itemization

AV Priority	Purpose / Outcome	FTEs
Health and Safety	11 New Positions: 4 Airfield Operations Specialists; 3 Firefighters; 1 Airport Duty Manager; 1 Alarm Tech; 1 Safety Compliance Specialist; 1 Unified Pest Management Coord	11.0
Security	Unfreezing of 2 positions: 1 Electronic Tech; 1 Credential Center Background Specialist 1 New Position: 1 Aviation Security Compliance Coordinator	3.0
Innovation and Efficiencies	Unfreezing of 2 positions: 1 Sr Operations Controller; 1 Admin Assistant to the COO 1 New Position: 1 Manager Airport Operations	3.0
Customer Experience	Unfreezing of 15.6 FTEs: 2.8 Cruise Transportation Coords; 2 Pathfinders; 1.8 Seasonal Bus Drivers; 1 Landside Spvr; 1 Parking Cashier; 1 Ground Transp Controller; 1 Airport Duty Manager; 1 F&I Intermediate Engineer; 1 Sr. Sign Graphics Design Specialist; 1 Painter; 1 Aviation Field Tech; 1 Laborer Parking/Fueler Cleaner 2 New Positions: 1 Customer Communications Mgr; 1 DC Inventory Specialist	17.6
Financial Sustainability	Unfreezing of 1 position: 1 Yield Management Analyst 2 New Positions: 1 Lease Administration Supervisor; 1 Senior Financial Analyst	3.0
Asset Management, Capital Projects, and Planning	Unfreezing of 16 position: 4 Operating Engineers; 3 Wiremen; 2 Carpenters; 1 Sr Mgr, AV Planning; 1 AV F&I Engineer - Communications; 1 AV F&I Architect; 1 Maint Plan/Coord; 1 AVM CIP Exp Project Liaison; 1 Utility Worker Electrical; 1 Baggage Operation System Spvr 28 New Positions: 5 Capital Project Mgr III; 2 ORAT Mgrs; 2 Assistant Project Mgrs; 2 Capital Project Mgrs; 2 Jr Controllers; 2 Wiremen; 2 Operating Engineers; 1 ORAT Specialist; 1 Art Technician; 1 Capital Project Mgr IV; 1 Doc Controls Coordinator; 1 Estimator; 1 Program Controls Support Spvr; 1 Project Controls Tech; 1 Sr Admin Assistant; 1 Sr Project Controller; 1 Baggage Handling System Asst. Mgr.; 1 Automated Control Specialist	44.0
Total		81.6

Status of FTEs Frozen in 2021 Budget

2022 Budget Status: Positions Frozen in the 2021 Budget

Unfreeze FTEs approved 2021 mid-year	15.0
Unfreeze FTEs requested in 2022 Budget	36.6
Frozen FTEs remaining frozen & unfunded in 2022 Budget	19.2
Frozen FTEs permanently eliminated	<u>31.5</u>
Total Positions that were Frozen in the 2021 Budget:	102.3

AERONAUTICAL BUSINESS

Aeronautical Business

- Revenues defined by cost recovery formulas in Signatory Lease and Operating Agreement (SLOA IV)
 - O&M and capital costs included in airline rate bases
- As travel continues to recover this year and next, improvement in passenger levels and other airport activity will help manage costs and rates to the airlines
- Application of Federal Relief Grants and PFCs will help manage the revenue requirement, and therefore airline rates
- CPE increasing in 2022 moderately compared to 2021 Forecast

Aeronautical NOI

Aeronautical NOI (\$ in 000's)	2019 Actual	2020 Budget	2021 Budget	2021 Forecast	2022 Proposed Budget	Incr (Decr) Change from 2020 \$ %	
Rate Base Revenues							
Airfield Movement Area	123,436	132,128	115,037	87,899	121,862	(10,266)	-7.8%
Airfield Apron Area	22,016	22,011	21,418	15,184	22,182	171	0.8%
Terminal Rents	205,283	212,943	213,147	166,593	229,371	16,428	7.7%
Federal Inspection Services (FIS)	12,321	18,162	21,454	14,373	23,522	5,359	29.5%
Total Rate Base Revenues	363,057	385,245	371,056	284,048	396,937	11,691	3.0%
Airfield Commercial Area	11,687	16,097	15,612	16,284	16,590	493	3.1%
Subtotal before Revenue Sharing	374,744	401,342	386,668	300,332	413,527	12,185	3.0%
Revenue Sharing	(17,146)	-	-	-	-	-	
Total Aeronautical Revenues	357,598	401,342	386,668	300,332	413,527	12,185	3.0%
Total Aeronautical Expenses	236,959	248,799	233,102	234,400	270,205	21,406	8.6%
Aeronautical NOI	120,639	152,544	153,566	65,932	143,322	(9,221)	-6.0%
Debt Service	(110,945)	(62,607)	(125,747)	(48,130)	(114,432)	(51,824)	82.8%
Net Cash Flow	9,694	89,936	27,819	17,802	28,891	(61,046)	-67.9%

NON-AERONAUTICAL BUSINESS

Non-Aero Revenue

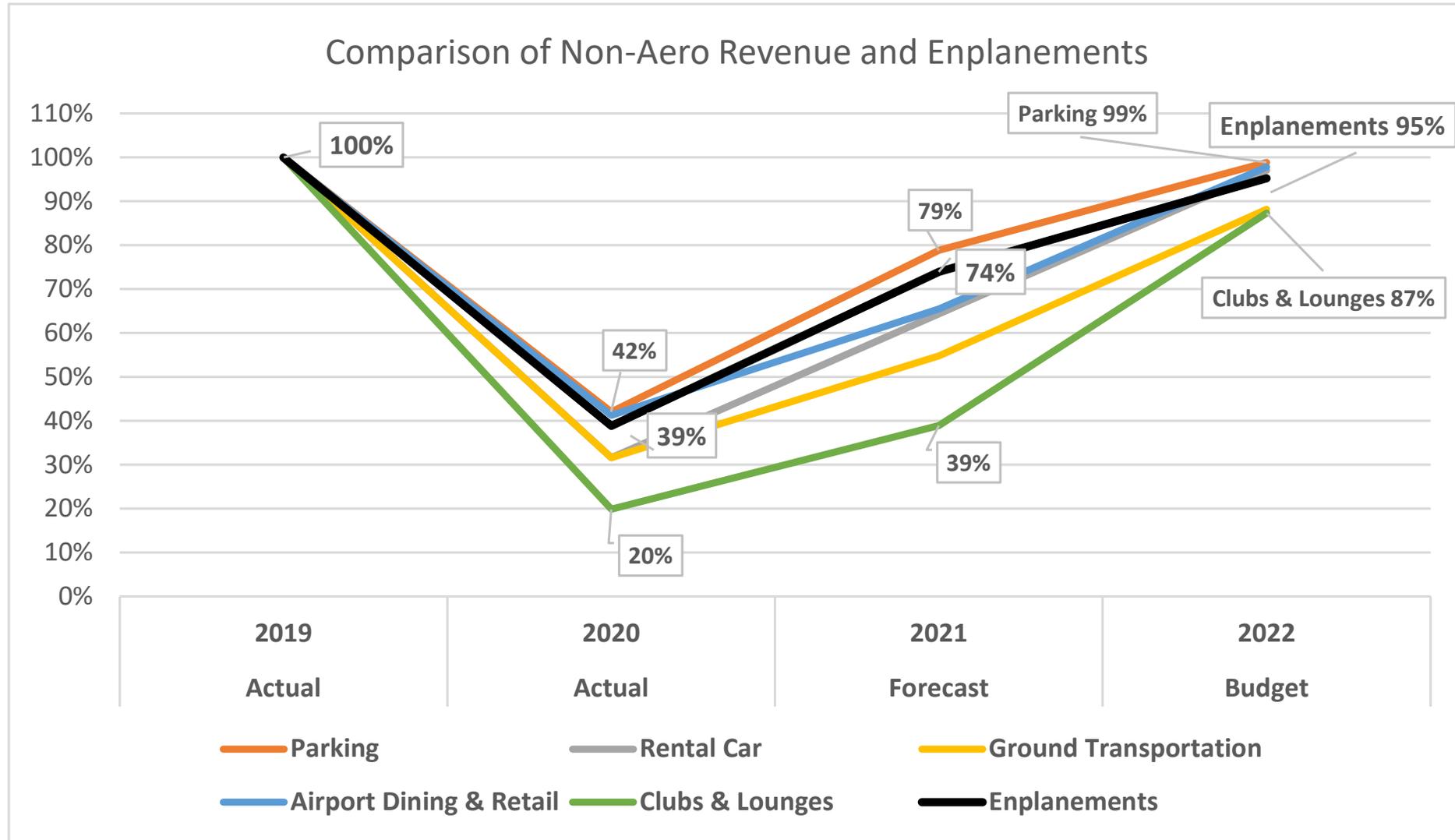
- **Airport Dining & Retail** – activity expected to stabilize in 2022, when passenger volumes are forecasted to return to near 2019 levels. Slower ADR revenue recovery in 2021 reflects continued labor shortages which has impacted concessionaire ability to serve growing passenger volumes.
- **Parking revenue** - demand for close in parking continues to outpace the recovery of passenger volumes, indicating a continued customer preference toward driving to and parking at the airport, rather than other ride-share transportation options.
- **Rental Car revenue** – has remained high in 2021 despite lower activity levels due to high car rental rates due to diminished fleet sizes across the industry. Rental car revenue is expected to stabilize and fleet constraints largely resolved in 2022.
- **Ground Transportation** – GT trips have been impacted in 2020 & 2021 by both the decline in passengers and a shift in customer preference away from share-ride transportation options. Demand for TNCs and on-demand taxi operations are expected to recover at a slower rate than enplanements in 2022.
- **Commercial properties** – In-flight Kitchen revenue impacted in proportion with decline in passengers. Other space rent not impacted by decline in passenger volume.
- **Airport clubs & lounges** – both port-owned lounges are open and operating, as of mid-2021. Resumed operations include continued COVID safety protocols. Slower recovery in lounge revenue reflects the slower recovery of international passenger volumes, partially offset by higher demand for lounge access from domestic travelers.

Non-Aero NOI Before Concessionaire Relief Grants

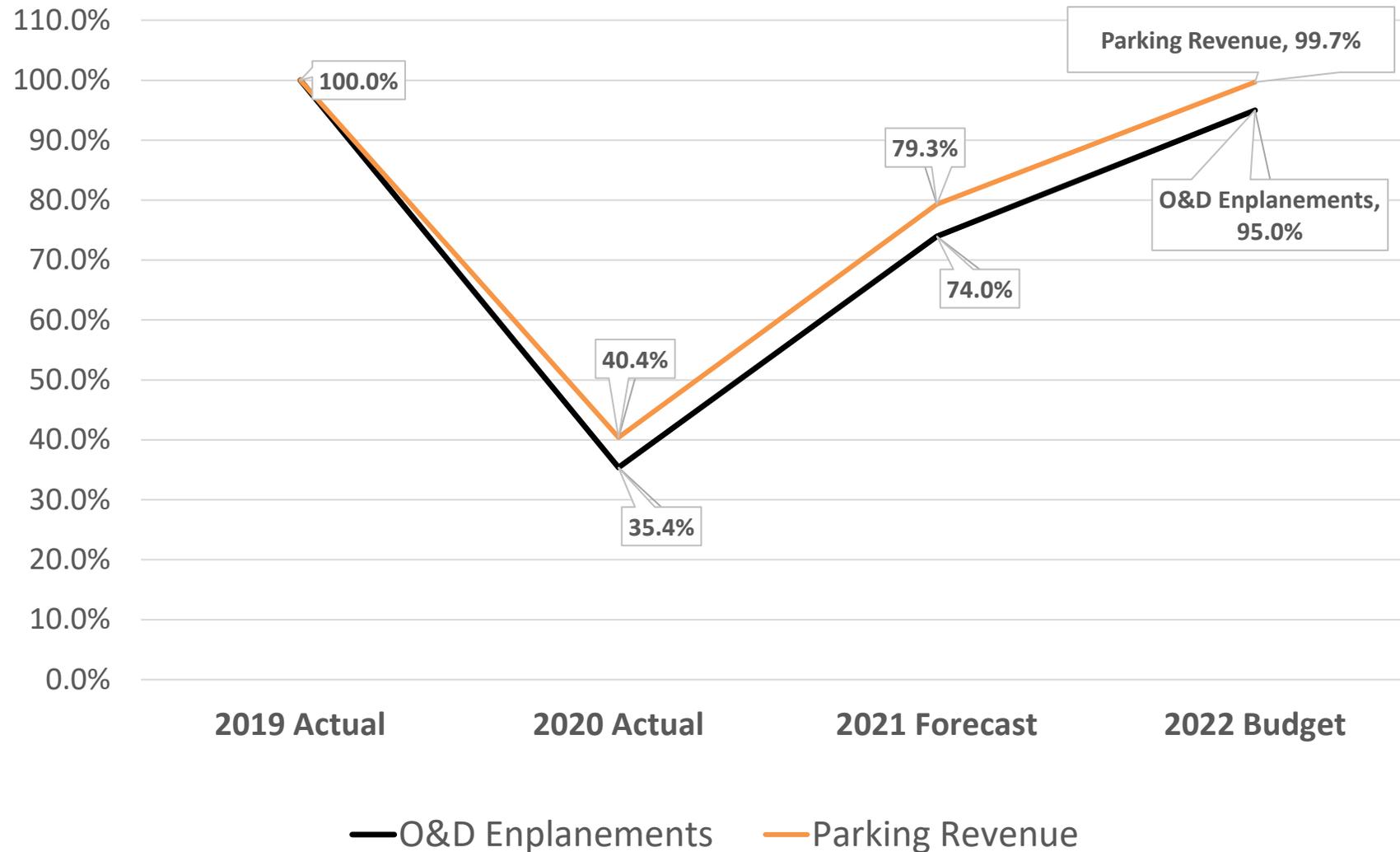
Non-Aeronautical NOI (\$ in 000's)	2019	2020	2021	2021	2022	Incr (Decr)	
	Actual	Budget	Budget	Forecast	Proposed Budget	Change from 2020	
						\$	%
Non-Aeronautical Revenues							
Public Parking	82,125	89,485	59,597	64,576	81,169	(8,316)	-9.3%
Rental Cars	52,567	51,149	26,880	33,612	51,011	(138)	-0.3%
Ground Transportation	20,765	22,299	13,628	11,482	18,306	(3,993)	-17.9%
Airport Dining & Retail	61,615	66,145	45,936	40,381	60,267	(5,878)	-8.9%
Clubs and Lounges	10,274	10,536	6,221	4,001	8,972	(1,564)	-14.8%
Utilities	7,431	8,831	7,568	6,968	7,808	(1,023)	-11.6%
Employee Parking	10,438	10,137	9,688	9,136	10,472	335	3.3%
Tenant Marketing	1,273	1,375	969	870	1,358	(17)	-1.2%
Commercial Properties	15,773	16,660	13,713	12,370	15,540	(1,120)	-6.7%
Non-Airline Terminal Leased Space	6,398	5,700	5,248	5,882	7,329	1,629	28.6%
AOB Conference Center	462	360	-	-	80	(280)	-77.8%
Other	(82)	489	100	100	253	(236)	-48.3%
All Other	34,262	34,722	29,717	28,358	35,032	310	0.9%
Total Non-Aeronautical Revenues	269,037	283,167	189,548	189,378	262,565	(20,603)	-7.3%
Total Non-Aeronautical Expenses	118,286	128,508	106,806	106,861	127,510	(998)	-0.8%
Non-Aeronautical NOI	150,752	154,660	82,742	82,517	135,055	(19,604)	-12.7%
Less: CFC Surplus	(6,834)	-	-	-	(5,588)	(5,588)	
Adjusted Non-Aeronautical NOI	143,917	154,660	82,742	82,517	129,467	(25,192)	-16.3%
Debt Service	(49,299)	(33,065)	(53,025)	(15,935)	(35,229)	(2,164)	6.5%
Net Cash Flow	94,619	121,595	29,717	66,583	94,238	(27,356)	-22.5%

Non-Aero revenue shown before Concessionaire Relief grant reductions.

Non-Aero Revenue Recovery as % of 2019 Actual



Parking Revenue & O&D Enplanements as % of 2019 Actuals



Parking Overview:

- Public Parking revenue recovery performing better than change in passenger volumes
- Doug Fox (offsite lot) recovering inline with O&D enplanements.

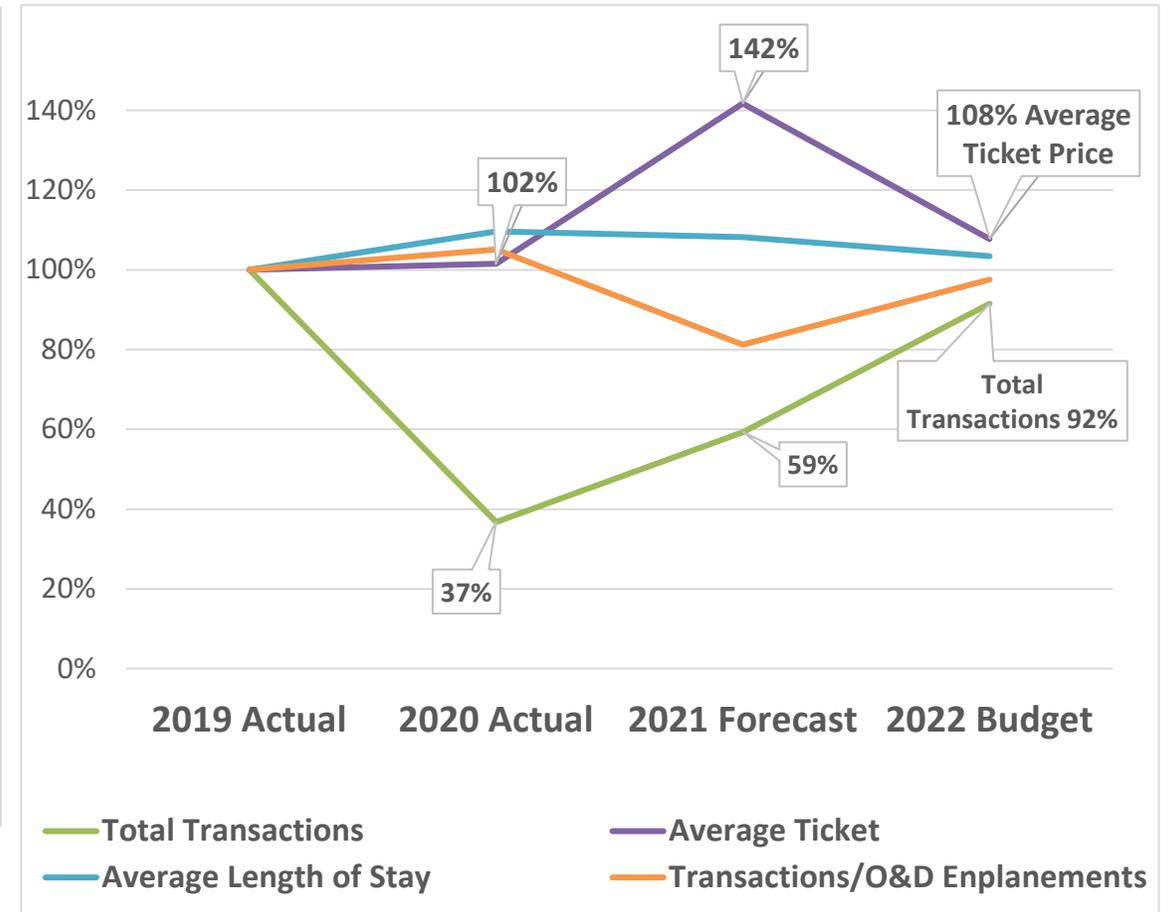
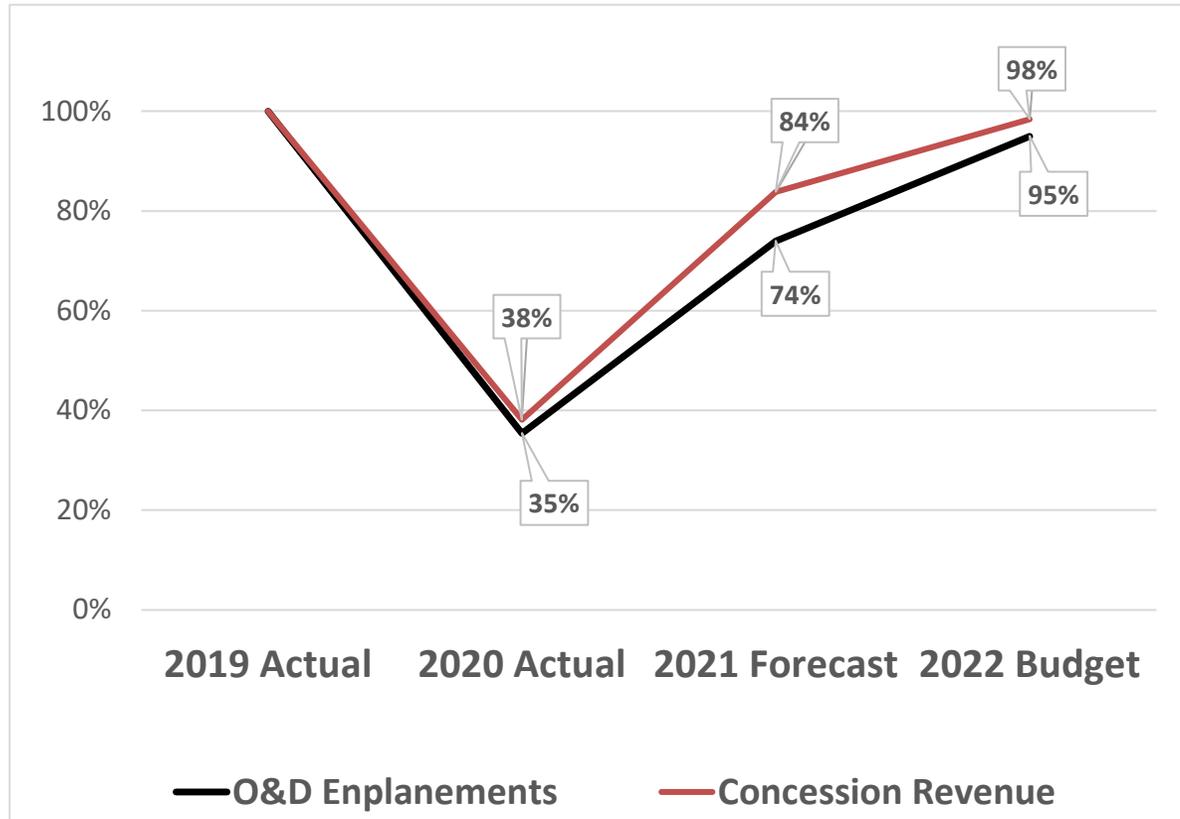
Public Parking

Public Parking - Revenue Detail	2019	2020	2021	2021	2022	Incr (Decr)	
\$ in 000's	Actual	Actual	Budget	Forecast	Proposed Budget	Change from 2019	
						\$	%
<u>Parking Garage Revenue to Port</u>							
General Parking/Terminal Direct	73,562	27,157	48,332	47,761	61,885	(11,677)	-15.9%
Prebooking	217	2,935	5,570	11,968	13,200	12,983	5990.2%
Premier Corporate Parking	1,415	449	850	-	-	(1,415)	-100.0%
Revenue to Port - General Parking	75,194	30,540	54,752	59,729	75,085	(109)	-0.1%
<u>Other Garage Revenue</u>							
Passport Parking Program	3,582	2,738	2,790	2,497	2,910	(672)	-18.8%
Total Parking Garage Revenue	78,776	33,278	57,542	62,226	77,995	(781)	-1.0%
<u>Other Parking Revenue</u>							
Concession Rent - Doug Fox off-site parking	3,292	1,186	2,037	2,518	3,156	(136)	-4.1%
All Other Parking Revenue	56	37	18	24	18	(38)	-68.1%
Total Parking Revenue	82,125	34,501	59,597	64,767	81,169	(956)	-1.2%
O&D Enplanements	18,163	6,428	12,387	13,433	17,254	(910)	-5.0%

Public Parking Metrics

Public Parking Revenue Metrics	2019	2020	2021	2021	2022	Incr (Decr)	
in 000's	Actual	Actual	Budget	Forecast	Proposed Budget	\$	%
Total Enplanements	25,874	10,044	18,216	19,190	24,648	(1,225)	-4.7%
O&D %	70.2%	64.0%	68.0%	70.0%	70.0%	-0.2%	-0.3%
O&D Enplanements	18,163	6,428	12,387	13,433	17,254	(910)	-5.0%
Revenue per O&D Enplanement Metrics							
General Parking/Pre-Book/Premier Corporate	4.14	4.75	4.42	4.45	4.35	0.21	5.1%
Passport Parking Program	0.20	0.43	0.23	0.19	0.17	(0.03)	-14.5%
Total Garage Revenue per O&D Enplanement	4.34	5.18	4.65	4.63	4.52	0.18	4.2%
Concession Rent - Doug Fox off-site parking	0.18	0.18	0.16	0.19	0.18	0.00	0.9%
All Other Parking Revenue	0.00	0.01	0.00	0.00	0.00	(0.00)	-66.4%
Total Parking per O&D Enplanement	\$ 4.52	\$ 5.37	\$ 4.81	\$ 4.82	\$ 4.70	\$ 0.18	4.0%

Rental Car Key Metrics as % compared to 2019 Actuals



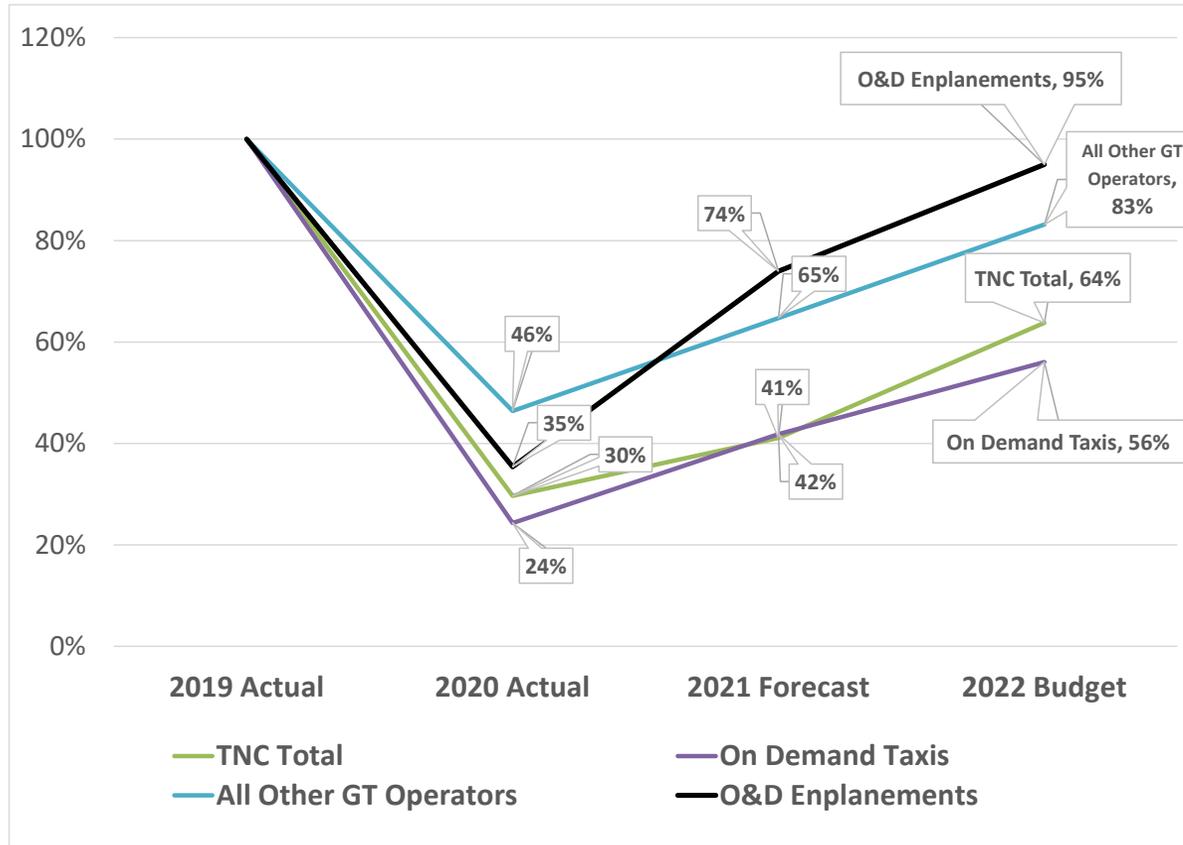
- Rental Car concession fee revenue similarly following enplanement recovery pattern
- Volatility in key metrics that impact Rental Car revenue
 - Average Ticket Price driven higher by shortages in rental vehicles and Transactions conversely impacted.

Rental Cars

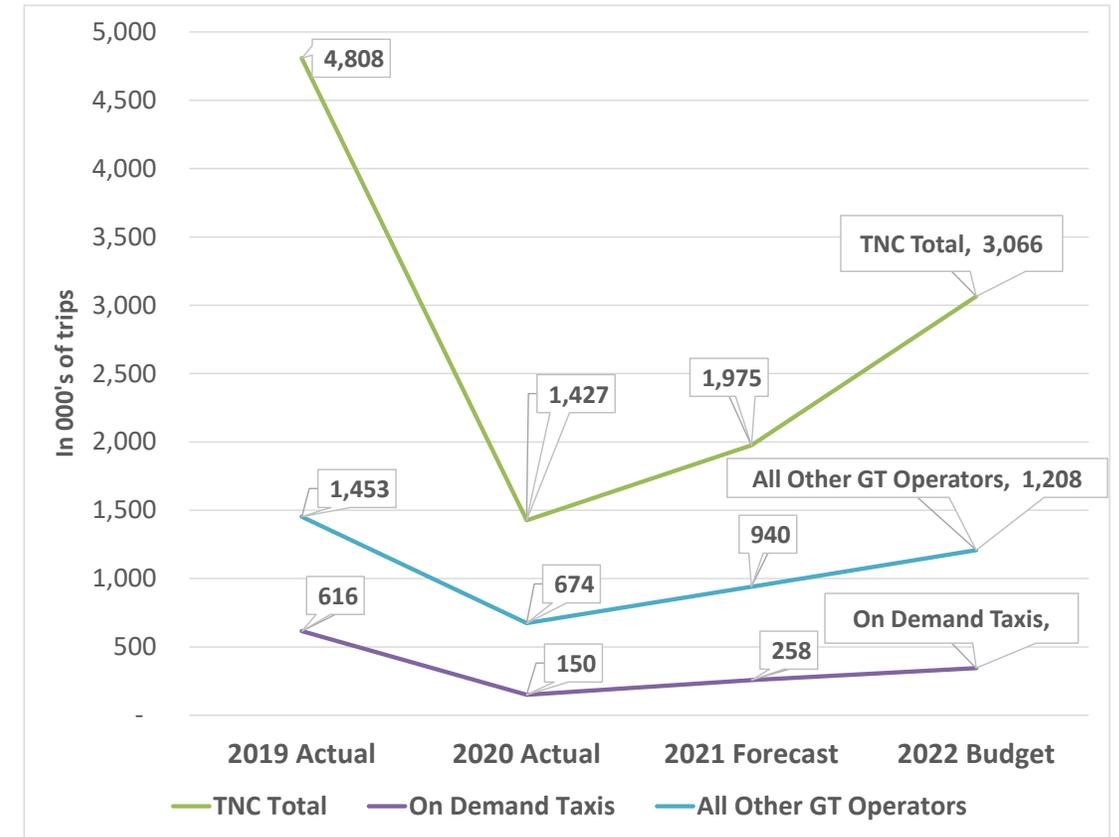
Rental Car - Revenue Detail	2019	2020	2021	2021	2022	Incr (Decr)	
\$ in 000's	Actual	Actual	Budget	Forecast	Proposed Budget	Change from 2019	
						\$	%
Total Enplanements	25,874	10,044	18,216	19,190	24,648	(1,225)	-4.7%
O&D %	70.2%	64.0%	68.0%	70.0%	70.0%	-0.2%	-0.3%
O&D Enplanements	18,163	6,428	12,387	13,433	17,254	(910)	-5.0%
Gross Sales by Operators	328,156	122,372	205,160	275,625	323,500	(4,656)	-1.4%
Total Transactions	1,414	519	892	838	1,294	(120)	-8.5%
Average Ticket	\$232.06	\$235.57	\$ 230.00	\$ 328.86	\$ 250.00	\$17.94	7.7%
Average Length of Stay	4.49	4.93	4.60	4.86	4.65	0.16	3.5%
Transactions/O&D Enplanements	7.69%	8.08%	7.20%	6.24%	7.50%	-0.19%	-2.4%
<u>CFC Revenue Summary</u>							
Total Transaction Days	6,356	2,560	4,103	4,078	6,017	(339)	-5.3%
CFC Rate per Transaction Day	\$6.00	\$6.00	\$6.50	\$6.50	\$6.50	\$0.50	8.3%
Total CFC Revenue	38,128	15,362	26,670	26,504	39,111	982	2.6%
Debt Service Reserve Requirement	(23,655)	(24,019)	(24,153)	(24,273)	(24,516)	(861)	3.6%
Residual - CFC Operating Revenue	15,773	-	2,501	2,231	14,595	(1,179)	-7.5%
Rental Car - Revenue Summary							
\$ in 000's	Actual	Actual	Budget	Forecast	Proposed Budget	Change from 2019	
						\$	%
RCF Concession Revenue to Port	32,870	12,531	20,516	27,562	32,354	(516)	-1.6%
Residual - CFC Operating Revenue:	15,773	-	2,501	2,231	14,593	(1,180)	-7.5%
Land Rent/Space Rent/Other	3,924	4,106	3,863	4,055	4,064	140	3.6%
Total Rental Cars Operating Revenue	52,567	16,637	26,880	33,848	51,011	(1,556)	-3.0%

Ground Transportation

GT Trips & O&D Enplanements as % of 2019 Actuals



GT Trip Totals



- Trips for all Ground Transportation operator types have not recovered as fast as enplanements as a shift to Public Parking is still holding.
- Passenger preference appears to be shifted away from shared ride alternatives. Trip volume will be closely monitored to determine if demand increases as passenger volume recovers.
- TNC remains highest trip activity within GT operator types.

Ground Transportation

Ground Transportation - Revenue Detail	2019	2020	2021	2021	2022	Incr (Decr)	
\$ in 000's	Actual	Actual	Budget	Forecast	Proposed Budget	Change from 2019	
						\$	%
Ground Transportation Revenues							
TNC Drop-offs	-	-	-	2,095	5,057	5,057	N/A
TNC Pick-ups	12,982	4,032	8,700	5,433	8,283	(4,699)	-36.2%
TNC Total	12,982	4,032	8,700	7,528	13,340	358	2.8%
On Demand Taxis	3,578	857	1,851	1,550	2,070	(1,507)	-42.1%
On Demand Limos	837	371	-	-	-	(837)	-100.0%
Belled In Taxis (Annual Permit)	27	12	19	10	15	(12)	-45.1%
Pre-Arranged Limos (Annual Permit)	611	209	516	401	337	(274)	-44.8%
Courtesy Cars (cost recovery)	2,019	877	2,160	1,821	2,121	103	5.1%
Airporters	57	22	65	53	62	6	10.0%
Charter	229	27	54	31	438	209	91.1%
Parcel Carriers	33	29	50	59	50	17	51.3%
Shared Ride vehicles	99	8	19	1	20	(79)	-79.8%
All other Operators (cost recovery)	418	86	188	86	570	152	36.4%
Other Misc Revenues	293	113	194	63	103	(190)	-64.8%
Total GT Revenue	20,765	6,557	13,628	11,516	18,558	(2,207)	-10.6%
O&D Enplanements	18,163	6,428	12,387	13,433	17,254	(910)	-5.0%

Ground Transportation Activity & Metrics

GT Trip Activity & Metrics	2019	2020	2021	2021	2022	Incr (Deer)	
in 000's	Actual	Actual	Budget	Forecast	Proposed Budget	\$	%
Ground Transportation Trips							
TNC Drop-offs	2,704	787	-	1,070	1,685	(1,019)	-37.7%
TNC Pick-ups	2,103	640	1,450	905	1,380	(723)	-34.4%
TNC Total	4,808	1,427	1,450	1,975	3,066	(1,742)	-36.2%
On Demand Taxis	616	150	309	258	345	(271)	-44.0%
On Demand Limos	65	12	-	-	-	(65)	-100.0%
Belled In Taxis (Annual Permit)	13	2	5	3	4	(9)	-69.5%
Pre-Arranged Limos (Annual Permit)	65	87	192	149	125	60	92.0%
Courtesy Cars (cost recovery)	1,236	557	900	771	1,050	(186)	-15.0%
All other Operators (cost recovery)	74	16	27	17	29	(44)	-60.1%
Total GT Trip Activity	6,876	2,251	2,882	3,173	4,619	(2,257)	-32.8%
Total Enplanements	25,874	10,044	18,216	19,190	24,648	(1,225)	-4.7%
O&D %	70.2%	64.0%	68.0%	70.0%	70.0%	-0.2%	-0.3%
O&D Enplanements	18,163	6,428	12,387	13,433	17,254	(910)	-5.0%
Trips per O&D Enplanement							
TNC Drop-offs	14.9%	12.2%	0.0%	8.0%	9.8%	-5.1%	-34.4%
TNC Pick-ups	11.6%	10.0%	11.7%	6.7%	8.0%	-3.6%	-30.9%
TNC Total	26.5%	22.2%	11.7%	14.7%	17.8%	-8.7%	-32.9%
Taxi	3.4%	2.3%	2.5%	1.9%	2.0%	-1.4%	-41.0%
All other	8.0%	10.5%	9.1%	7.0%	7.0%	-1.0%	-12.4%
Total Trips per O&D Enplanement	37.9%	35.0%	23.3%	23.6%	26.8%	-11.1%	-29.3%

On-Demand Taxi Income

On-Demand Taxi Income	2019	2020	2021	2021	2022	Incr (Decr)	
\$ in 000's	Actual	Actual	Budget	Forecast	Proposed Budget	Change from 2019	
						\$	%
Income							
Revenue	3,578	857	1,851	1,550	2,070	(1,507)	-42.1%
Operating Expense	(3,110)	(3,112)	(3,242)	(3,033)	(3,228)	(119)	3.8%
NOI	363	(2,255)	(1,391)	(1,484)	(1,158)	(1,522)	-418.7%
Asset Ammortization	(104)	(194)	(283)	(266)	(270)	(165)	158.5%
EBIT	259	(2,449)	(1,673)	(1,750)	(1,428)	(1,687)	-651.1%
Activity Detail							
O&D Enplanements	18,163	6,428	12,387	13,392	17,254	(910)	-5.0%
On-Demand Taxi Trips	616	150	309	258	345	(271)	-44.0%
Expense Detail							
Payroll	708	727	740	720	771	62	8.8%
Curbside Assistance (ABM)	1,700	1,752	1,800	1,800	1,800	100	5.9%
Consultants	-	101	50	50	100	100	N/A
Credit Card Fees	-	-	74	35	52	52	N/A
Other Direct O&M	160	58	24	56	55	(104)	-65.2%
Subtotal Direct O&M	2,568	2,638	2,688	2,661	2,778	210	8.2%
Divisional Allocations	395	295	306	206	266	(129)	-32.7%
Corporate Allocations	148	180	248	167	185	38	25.5%
Subtotal Operating Expenses	3,110	3,112	3,242	3,033	3,228	119	3.8%
Asset Ammortization	104	194	283	266	270	165	158.5%
Total Expenses	3,214	3,307	3,524	3,300	3,498	284	8.8%

2021 Forecast Divisional and Corporate allocations not re-estimated.

Taxi pro-rata share of O&M expenses declined in 2021 forecast primarily due to inclusion of TNC Drop-Off trip counts in the cost-recovery model.

2021 Budget did not include TNC Drop-Off trips due to the agreement that included the new fee was not signed until after the budget was approved.

On-Demand Taxi Overview:

Comparison 2022 Budget to 2019 Actuals

- Revenue decreased -42.1%
- Total Expenses increased 8.8%
- Net loss of (\$1.4M) anticipated in 2022

Primary contributing factors

- COVID related decline in passengers
- Customer preference shift away from shared-ride transportation options, especially taxis
- Taxi curbside assistance contract is a fixed monthly amount, not scaled to increase or decrease in passengers or taxi trips

ADR Revenue before Concessionaire Relief Grants

Revenue Summary (in 000's) <i>Org(s): 3650-Airport Dining and Retail, Class: Top Level</i>	2019	2020	2021	2021	2022	Inc/(Dec) from 2021 Budget		Inc/(Dec) from 2019 Budget	
	Actual	Actual	Budget	Forecast	Proposed Budget	\$ Change	% Change	\$ Change	% Change
Operating Revenue									
Advertising Revenue	7,326	4,285	5,153	3,310	7,278	2,124	41.2%	(49)	-0.7%
Duty Free Revenue	6,189	1,842	3,599	1,021	2,689	(911)	-25.3%	(3,500)	-56.6%
Food and Beverage Revenue	26,314	9,709	18,456	20,206	29,250	10,794	58.5%	2,937	11.2%
Retail Revenue	16,313	6,328	13,360	13,082	17,491	4,130	30.9%	1,178	7.2%
Concession Services Revenue	3,847	1,728	3,900	1,591	2,152	(1,748)	-44.8%	(1,695)	-44.1%
Space Rental & All Other Revenue	1,625	1,527	1,466	1,170	1,413	(53)	-3.6%	(212)	-13.1%
Operating Revenues before Concessionaire Relief	61,614	25,418	45,936	40,381	60,272	14,336	31.2%	(1,342)	-2.2%
Federal Grant Concessionaire Relief	0	0	0	(3,114)	(21,419)				
Operating Revenue after Concessionaire Relief	61,614	25,418	45,936	37,267	38,853	(7,083)	-15.4%	(22,761)	-36.9%
Enplanements	25,874	10,044	18,216	19,132	24,648	6,433	35.3%	(1,225)	-4.7%

- Duty-Free is the slowest for overall ADR recovery as international passenger traffic continues to be restricted throughout the world and our agreement is being renegotiated
- Food & Beverage and Retail are recovering most quickly now as passengers return to the airport, but is still experiencing substantial challenges related to construction, government restrictions, and labor shortages.

Airport Dining & Retail - Key Metrics

Revenue Summary (in 000's) <i>Org(s): 3650-Airport Dining and Retail, Class: Top Level</i>	2019	2020	2021	2021	2022	Inc/(Dec) from 2019 Budget	
	Actual	Actual	Budget	Forecast	Proposed Budget	\$ Change	% Change
Sales per Enplanement							
Duty Free	\$ 0.77	\$ 0.47	\$ 0.65	\$ 0.33	\$ 0.61	\$ (0.17)	-21.5%
Food & Beverage	\$ 7.56	\$ 7.83	\$ 8.18	\$ 8.52	\$ 8.92	\$ 1.36	18.0%
Retail	\$ 3.99	\$ 4.14	\$ 4.79	\$ 4.58	\$ 4.72	\$ 0.73	18.2%
Services	\$ 0.80	\$ 0.49	\$ 0.56	\$ 0.25	\$ 0.44	\$ (0.35)	-44.4%
SPE - Airport Dining & Retail	\$ 13.12	\$ 12.94	\$ 14.18	\$ 13.68	\$ 14.69	\$ 1.57	11.9%
Revenue per Enplanement							
Duty Free	\$ 0.24	\$ 0.18	\$ 0.20	\$ 0.05	\$ 0.11	\$ (0.13)	-54.4%
Food & Beverage	\$ 1.02	\$ 0.97	\$ 1.01	\$ 1.06	\$ 1.19	\$ 0.17	16.7%
Retail	\$ 0.63	\$ 0.63	\$ 0.73	\$ 0.68	\$ 0.71	\$ 0.08	12.5%
Services	\$ 0.15	\$ 0.17	\$ 0.21	\$ 0.08	\$ 0.09	\$ (0.06)	-41.3%
RPE - Airport Dining & Retail	\$ 2.38	\$ 2.53	\$ 2.52	\$ 2.11	\$ 2.45	\$ 0.06	2.7%

Non-Aero Commercial Properties Revenue

Revenue Summary (in 000's) <i>Org(s): 3630-Non-Aero Commercial Properties, Class: Top Level</i>	2019	2020	2021	2021	2022	Inc/(Dec) from 2019 Actuals	
	Actual	Actual	Budget	Forecast	Proposed Budget	\$ Change	% Change
Operating Revenue							
Land Rental	4,658	5,267	5,222	5,323	5,457	799	17.1%
Space Rental	464	942	800	759	757	294	63.3%
In-Flight Kitchen Revenue	10,053	3,990	7,078	5,761	8,873	(1,180)	-11.7%
Other Service Revenues	548	566	613	613	452	(96)	-17.5%
Operating Grant Revenues	49	0	0	0	0	(49)	-100.0%
Total Operating Revenues	15,773	10,765	13,713	12,456	15,540	(233)	-1.5%
Enplanements							
Total Enplanements	25,874	10,044	18,216	19,132	24,648	(1,225)	-4.7%
International Enplanements	2,858	670	1,643	971	2,218	(640)	-22.4%
In-Flight Kitchen RPE							
Rev per Total Enplanements	\$ 0.39	\$ 0.40	\$ 0.39	\$ 0.30	\$ 0.36	\$ (0.03)	-7.3%
Rev per International Enplanements	\$ 3.52	\$ 5.95	\$ 4.31	\$ 5.93	\$ 4.00	\$ 0.48	13.7%

- In-Flight Kitchen revenue is more closely tied to international enplanements than previously realized. As international flying returns, we expect In-Flight Kitchen revenue will as well
- Land and Space Rents are impervious to the drop in enplanements and grow as planned in 2022.

Non-Airline Terminal Leased Space Revenue

Revenue Summary (in 000's) <i>Org(s): 3645-Non-AirlineTerminal Leased Spc, Class: Top Level</i>	2019	2020	2021	2021	2022	Inc/(Dec) from 2019 Actuals	
	Actual	Actual	Budget	Forecast	Proposed Budget	\$ Change	% Change
Operating Revenue							
Maintenance Service Fees	238	10	28	8	26	(213)	-89.3%
Space Rental	6,159	5,806	5,220	5,834	7,312	1,153	18.7%
Other Service Revenues	1	0	0	0	0	(1)	-100.0%
Total Operating Revenues	6,398	5,816	5,248	5,842	7,338	940	14.7%
Total Enplanements	25,874	10,044	18,216	19,132	24,648	(1,225)	-4.7%
AIClear Sales per Enplanements (SPE)	\$0.58	\$1.29	\$0.61	\$0.83	\$0.58	\$0.00	-0.3%

- TSA Maintenance Service Fees removed under new lease agreement
- Space Rental
 - AIClear (~23% of Space Rent Revenue) continues to perform well in the current environment, generally moving in line with enplanements
 - Remaining Lease Terms are generally not tied to enplanements and therefore remain fairly consistent between 2019 and 2022, though we did lose some of our smaller tenants due to COVID-19 business impacts in 2020.

Port-owned Clubs & Lounges Revenue & Expense

Clubs & Lounges (in 000's) <i>Org(s): 3690-Club International Lounge, Class: Top Level</i>	2019	2020	2021	2021	2022	Inc/(Dec) from 2019 Budget	
	Actual	Actual	Budget	Forecast	Proposed Budget	\$ Change	% Change
Clubs & Lounges Revenue	10,274	2,043	6,221	4,001	8,972	(1,301)	-12.7%
Clubs & Lounges Expenses							
Base Mgmt Fee	183	243	406	363	421	239	130.8%
Incentive Mgmt Fee	243	331	41	0	182	(61)	-24.9%
Total Mgmt Fee	425	574	448	363	603	178	41.9%
3rd Party Direct Operating Expenses	3,331	1,025	2,534	1,998	3,345	13	0.4%
B&O Taxes	153	29	109	86	157	4	2.8%
Other Expenses	55	0	0	0	0	(55)	-100.0%
Clubs & Lounges Expenses	3,964	1,627	3,090	2,447	4,105	141	3.5%
Income from Operations	6,309	416	3,131	1,554	4,867	(1,442)	-22.9%

- Clubs & Lounges revenue is recovering better than international enplanements now that both lounges have reopened and are fully operational.
- Incremental Base Management Fee (compared to 2019 Actuals) reflects new contract effective April 2020.

FEDERAL RELIEF GRANT USE PLAN – ALLOCATION BY COST CENTER

Federal Relief Grants by Cost Center

<u>SEA Grant Summary</u>				
Grants Received: \$383.9				
CARES		\$192.1		
CRRSA			\$37.4	
ARPA			\$154.4	
<i>*excludes concessions grants</i>				
Grants Applied	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>Total</u>
<u>Airline Benefit</u>				
Airfield Movement Area	\$32.3	\$37.5	\$11.8	\$81.6
Airfield Apron Area	\$7.7	\$9.3	\$5.6	\$22.6
Terminal Building **	\$28.7	\$20.6	\$12.6	\$62.0
Federal Inspection Services **	\$12.9	\$29.4	\$16.6	\$58.8
Baggage System	\$10.4	\$7.4	\$3.5	\$21.2
Gate Utilities	\$4.2	\$4.4	\$2.8	\$11.4
Others	\$4.3	\$3.2	\$1.7	\$9.2
Total Airline Benefit	\$100.5	\$111.7	\$54.6	\$266.8
<u>Non-Airline Benefit **</u>	\$46.6	\$49.0	\$21.5	\$117.1
Total Federal Funding Applied	\$147.1	\$160.7	\$76.1	\$383.9
Cumulative Remaining	\$45.0	\$76.1	\$0.0	\$0.0
Airline Benefit	68%	70%	72%	69%
Non-Airline Benefit **	32%	30%	28%	31%
Grant Usage				
Debt Service	\$103.9	\$128.8	\$66.3	\$299.0
O&M	\$43.3	\$31.9	\$9.8	\$84.9
** Grants are shown after allocations				