

RESOLUTION NO. 3067

A RESOLUTION of the Port Commission of the Port of Seattle authorizing the Executive Director to execute an Interlocal Agreement with King County to analyze the consolidation of King County International Airport in the Port of Seattle.

WHEREAS, The County and the Port are interested in examining the feasibility of consolidating management of King County International Airport in the Port of Seattle or other appropriate regional agency, and

WHEREAS, the Port has agreed to undertake the lead role in contracting for and preparing the Interlocal Agreement, and

WHEREAS, the County is interested in evaluating the advantages and disadvantages of such consolidation and desires to contribute to the cost of the Interlocal Agreement.

NOW THEREFORE, BE IT RESOLVED by the Port Commission of the Port of Seattle that:

1. The Executive Director of the Port of Seattle is hereby authorized to execute said Interlocal Agreement in substantially the form attached hereto as Exhibit "A" and by this reference incorporated herein.
2. The Executive Director is hereby authorized to hire consultants to carry out the project tasks, subject to budget constraints.
3. A copy of the final executed Interlocal Agreement shall be attached to this resolution as Exhibit "B".

ADOPTED by the Port Commission of the Port of Seattle at a regular meeting thereof, held this 14th day of August, 1990, and duly authenticated in open session by the signatures of the Commissioners voting in favor thereof and the seal of the Commission.

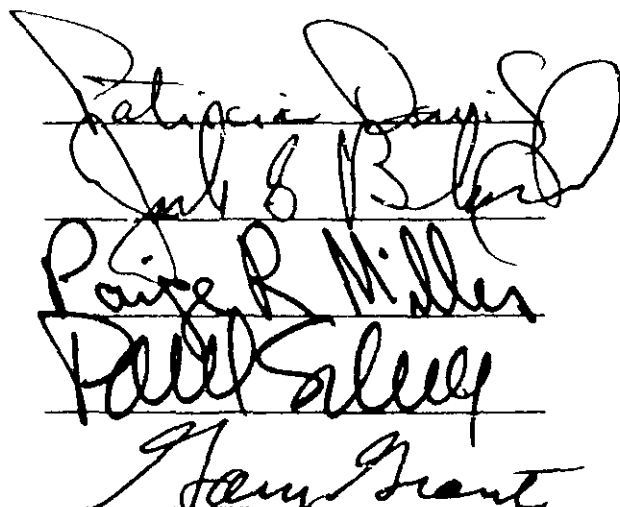

Patricia Davis
Paul B. Bland
Paige R. Miller
Hall Selley
Gary Grant
Port Commission

Exhibit "A" to Resolution No. 3067

INTERLOCAL AGREEMENT

Consolidation of King County International Airport in the Port of Seattle

This Agreement is entered into this _____ day of _____, 1990, between King County, hereafter referred to as "County", and The Port of Seattle, hereafter referred to as "Port".

WHEREAS, the County and the Port are interested in examining the feasibility of consolidating management of King County International Airport in the Port of Seattle or other appropriate regional agency, and

WHEREAS, the Port has agreed to undertake the lead role in contracting for and preparing the feasibility study, and

WHEREAS, the County is interested in evaluating the advantages and disadvantages of such consolidation and desires to contribute to the cost of the feasibility study.

NOW THEREFORE, in consideration of mutual benefits, the County and the Port agree as follows:

1. The Port shall undertake the study and shall act as lead agent and contracting authority for the study as described in the attached Request for Qualifications and in the Scope of Work attached thereto as Attachment A.
2. The County agrees to reimburse the Port for one half of the total costs of contracting for the study, in an amount not to exceed \$25,000. The Port shall bear all costs in excess of a total \$50,000, unless the County has agreed in writing to share such excess costs. Reimbursement requests will be presented to the County with adequate documentation and the County agrees to review and act on each request for payment within 30 days of receipt of each payment request.
3. The Port shall consult regularly with the County on the progress of the preparation of the study. Four copies of a final report shall be submitted to the County within 30 days of completion of the study
4. No liability shall attach to the County or to the Port by reason of entering into this Agreement except as expressly provided herein.
5. The Port shall be deemed an independent contractor for all purposes and the employees of the Port, or any of its contractors, subcontractors and the employees shall not in any manner be deemed to be employees or agents of the County.
6. The Port and the County shall each provide sufficient staff support and access to data to permit the consultant to carry out the work activities described in the above-referenced Scope of Work.

7. The Port shall require the consultant to comply with its regulations concerning the utilization of Minority and Women's Businesses and with the County's Affirmative Action provisions in KCC 12.16, or equivalent requirements approved by the County.

8. Each party hereto agrees to indemnify and hold harmless the other party, its officers, agents and employees for all claims (including demands, suits, penalties, losses, damages or costs of any kind whatsoever) to the extent such claim arises or is caused by the indemnifying party's negligence or that of its officers, agents or employees in performance of this agreement.

9. This Agreement shall be effective upon execution, and shall terminate when the obligations hereunder have been completed or December 31, 1990, whichever is earlier.

10. This Agreement may be amended or terminated only by written agreement of both parties.

APPROVED:

King County

Port of Seattle

King County Executive

Executive Director

Date

Date

Approved as to form

Approved as to form

King County Prosecuting Attorney

Port Attorney

Attachment A to INTERLOCAL AGREEMENT
between King County and the Port of
Seattle

SCOPE OF WORK

CONSOLIDATION OF KING COUNTY AIRPORT IN THE PORT OF SEATTLE

Assess the Finances and Operations

A. Inventory Financial and Operational Data

Work with the staffs of the Port, the County, and key tenants, as appropriate, to obtain and organize current revenue and expense budget data for King County Airport and up to three years of historical financial, statistical, and operating data, including:

1. Airport lease maps and building layout plans denoting the location of current tenants.
2. Environs maps denoting tenants and land uses in the areas surrounding the airport, particularly within areas affected by airport noise.
3. Summaries of important leases and agreements.
4. Summaries of important management, maintenance, and service contracts
5. Airport master plans and capital improvement programs
6. Other recent studies pertaining to airport operations, noise mitigation programs, etc.
7. Organization structure and staffing
8. Operating expenses by object and subobject category
9. Operating revenues by source and by tenant
10. Fee structures for services provided at the airport
11. Services provided by the County, including those charged and not charged to the airport
12. Debt obligations and debt service schedules
13. Airport traffic statistics, including aircraft operations, based aircraft, passenger and cargo activity, and aircraft types and weights

Particular attention would be given to documenting the provision of services at the airport, including who provides them and their costs, whether or not they are now separately identified or charged. We would also identify services not currently provided that might be required after consolidation.

B. Review and Summarize Existing Leases, Contracts, and Agreements

Prepare a tabular summary of the key financial terms and conditions of major leases, contracts, and agreements at King County Airport. Comment on the problems and opportunities presented by these leases, contracts, and agreements. Prepare an analysis of alternatives for resolving any problems or taking advantage of the opportunities

C. Review and Assess Current Organization and Staffing

Review the organization structure, staffing, and personnel costs of the airport and assess any organization and staffing changes resulting from consolidation. Prepare in outline form a revised organization structure and staffing plan after consolidation.

II. Examine Role and Capacity Issues and Opportunities

A. Summary Discussion of Airspace Capacity

Based on existing studies, summarize the effect of current King County International Airport operations on regional airspace capacity. Identify possible changes or increases in regional capacity relating to (1) consolidation with the Port and (2) potential changes in the airport's role identified in Task II. A.

B. Present Alternatives for the Role of the Airport in the Regional Airport System

In conjunction with the Flight Plan project, suggest changes in the activities at King County Airport to complement regional air transportation needs. Include analysis of ground transportation linkage and access issues affecting role.

III. Review Capital Improvement Program, Assess Capital Development Financing and Consolidation

A. Review the Status of Ongoing and Proposed Capital Improvement and Noise Mitigation Projects and Plans

Identify on- and off-airport capital improvement and noise costs relating to the alternative uses of King County Airport suggested in Task II.B. Summarize projects and costs for a three- to five-year period reflecting the priority of projects. Assess the sources and uses of funds for financing the capital program as part of the Port, including the potential for federal grants-in-aid

B. Review Proposals for the Terms of Consolidation

On the basis of discussions with Port and County officials, identify the general terms of a transfer agreement for the airport, including financial support; transfer of land, facilities, assets, and personnel; transfer of debt; provision of administrative or overhead services; and relations with Boeing and other major tenants

C. Prepare Pro Forma Financial Plan

On the basis of the finding in the above tasks, prepare a pro forma financial plan for King County Airport, incorporating projections of revenues, operating expenses, debt service, and overall cash flow. Assess the potential for self-supporting operations, the need (if any) for financial support by the Port, and comment on opportunities for increasing revenues and reducing operating expenses to strengthen the airport's financial position

IV. Presentation of Findings

A. Prepare Study Report

Prepare a report in draft form summarizing the findings of the tasks described above.

B. Present Findings in Draft Form

Present draft report to a joint Port/King County working committee. Incorporate any revisions into the report suggested by the committee. Present the revised draft report at a public meeting of airport tenants and the interested public. Incorporate any revisions.

C. Present Final Findings

Write final report and present findings to Port Commission and King County Council.

INTERLOCAL AGREEMENT

Consolidation of King County International Airport in the Port of Seattle

This Agreement is entered into this 5th day of NOVEMBER, 1990, between King County, hereafter referred to as "County", and The Port of Seattle, hereafter referred to as "Port".

WHEREAS, the County and the Port are interested in examining the feasibility of consolidating management of King County International Airport in the Port of Seattle or other appropriate regional agency, and

WHEREAS, the Port has agreed to undertake the lead role in contracting for and preparing the feasibility study, and

WHEREAS, the County is interested in evaluating the advantages and disadvantages of such consolidation and desires to contribute to the cost of the feasibility study.

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3. The Port shall consult regularly with the County on the progress of the preparation of the study. Four copies of a final report shall be submitted to the County within 30 days of completion of the study.
4. No liability shall attach to the County or to the Port by reason of entering into this Agreement except as expressly provided herein.
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8. Each party hereto agrees to indemnify and hold harmless the other party, its officers, agents and employees for all claims (including demands, suits, penalties, losses, damages or costs of any kind whatsoever) to the extent such claim arises or is caused by the indemnifying party's negligence or that of its officers, agents or employees in performance of this agreement.


9. This Agreement shall be effective upon execution, and shall terminate when the obligations hereunder have been completed or December 31, 1990, whichever is earlier.

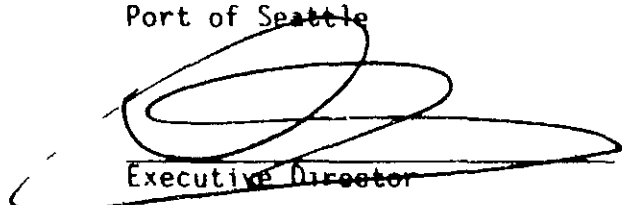
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APPROVED:

King County

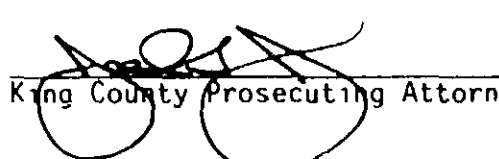
Port of Seattle


King County Executive
November 27, 1990
Date


Executive Director
8/22/90
Date

Approved as to form

Approved as to form


King County Prosecuting Attorney


Port Attorney

Attachment A to Interlocal Agreement
—between the Port of Seattle and King —
County re King Co. Int'l Airport

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C. Present Final Findings

Write final report and present findings to Port Commission and King County Council.

7-8-204

AMENDMENT NO. 1

INTERLOCAL AGREEMENT

Consolidation of King County International Airport in the Port of Seattle

The Interlocal Agreement between the Port of Seattle and King County, dated November 5, 1990, provides for amendments upon written agreement by both parties.

By this amendment, the termination date of the Interlocal Agreement is hereby extended to March 31, 1991 or when the obligations of the Agreement have been completed, whichever is earlier

APPROVED:

King County

Port of Seattle

José Sanchez
King County Executive
JOSÉ SANCHEZ
KING COUNTY EXECUTIVE

FOR

M. P. [Signature]
for Chief Executive Officer

1/15/91
Date

12/20/90
Date

Approved as to Form

Approved as to form

[Signature]
King County Prosecuting Attorney

Stephen A. Small
Port Attorney