



King County

Ron Sims
King County Executive

Statement of King County Executive Ron Sims regarding the rejection of proposals by Southwest Airlines and Alaska Airlines to move commercial passenger service to King County International Airport (KCIA) October 11, 2005

Good morning. Thank you all for coming.

On July 21, 2005 Southwest Airlines submitted a proposal to King County to move their operations to Boeing Field and invest 130 million dollars to build an 8 gate terminal and parking garage to accommodate up to 85 flights per day. Southwest also pledged to take extraordinary noise control measures such as flying only next generation whisper jets into Boeing Field, using the Elliot Bay approach as much as 95 percent of the time, and to avoid any so-called red-eye flights. Southwest estimated the economic impact of their proposal at 1.6 billion dollars. For making such a proposal to King County I want to thank Southwest Airlines. It was refreshing in its boldness and its generosity. Throughout this process Southwest Airlines has been an extraordinary company that has negotiated with King County in good faith. Their only fault was to work tirelessly to find new ways to bring low cost airfares to the region.

Many people have misinterpreted my respect for Southwest Airlines and their proposal as advocacy for a done deal. That is simply not correct. I would like to quote from several of my public communications from earlier this year.

In my letter of June 14th, 2005 to the King County Council initially notifying them of discussions with Southwest Airlines I said the following:

“While this is an exciting opportunity, I have concerns about the impact of any proposal... on the West Hill, Georgetown, Beacon Hill, and Magnolia neighborhoods and the City of Tukwila. I want to assure the County Council and the public that all noise and traffic impacts of any proposal must be understood and appropriately addressed in a full and thorough public process before any agreement can move forward.”

And on July 21st, 2005 when King County received the formal proposal from Southwest Airlines this was my statement:

“But it is important to note that no decision has been made regarding Southwest’s proposal. We will evaluate this proposal carefully. It is my duty to ensure that the very legitimate concerns about noise and traffic are addressed and that we protect the county’s financial position.”

And finally, in my August 2nd, 2005 letter to the all regional stakeholders regarding the Southwest Airlines proposal I stated:

"It is one of my foremost concerns that any potential agreement mitigates the noise impacts on both the neighborhoods surrounding KCIA and those neighborhoods in the current flight paths."

My criteria were simple: King County had neither the desire nor the financial capacity to make investments at KCIA to accommodate major commercial air service. Any improvements needed to allow additional commercial passenger jet service must be paid for by the airline making the proposal. And finally, the noise and traffic impacts of any such proposal and the impact both on existing KCIA tenants and the surrounding neighborhoods must be understood and mitigated.

At the time it appeared that the Southwest proposal had value to the region, the County, and the flying public, and might indeed be accommodated and the noise and traffic impacts addressed. Nevertheless I insisted on a full traffic, noise and financial analyses that have been continuing until today.

On September 30, 2005, Alaska Air Group also submitted a similar proposal to King County, requesting to build a 150 million dollar 8 gate terminal and parking structure to accommodate up 100 flights per day. Alaska is our hometown airline. They link the communities of this wonderful state. Alaska has also been a great company that is simply trying to serve the consumers of the region and I have given the Alaska proposal the same thoughtful consideration.

Upon receiving Alaska's proposal I asked the King County Department of Transportation to evaluate the implications of the new proposal on both the Southwest project and the operations of existing Boeing Field tenants. Last week KDOT briefed my staff on their preliminary findings. Yesterday, on Monday, Oct. 10 KCDOT and the PAO briefed me.

Here is what KDOT told me: Given the complexities created by the competing proposals, the combination seriously undermined the possibility of initiating commercial air service at Boeing Field without a substantial infusion of public money. At a minimum, looking at both options would require a much more detailed Environmental Impact Statement than either proposal alone, and that process could take over a year, and cost as much as \$500,000. I am not willing to spend taxpayer money in that way.

According to DOT the assessment and space negotiation phases of competing proposals could take years and might well result in expensive litigation. KCDOT staff also stated that major negative noise and traffic impacts resulting from the combined proposals were now almost a certainty.

I have said all along that I will not endorse any proposal from any airline to move commercial passenger service to Boeing Field if it led to significant negative traffic and noise impacts, or if it could not be accomplished without taxpayer dollars. I meant what I said. I do believe in fair competition, but I do not believe in taxpayer subsidies of private

corporations. I care about our neighborhoods and I am not willing to increase noise over our communities and subject new homes to the sounds of airplanes.

I asked KDOT director Harold Taniguchi for his candid assessment of whether it was now possible to meet my criteria given the complexities created by the competing proposals. Mr. Taniguchi said he considered that extremely unlikely. He pointed out that positive preliminary assessments made by DOT had assumed only 8 gates and 85 daily flights, not the 16 gates and 185 flights that now were on the table.

So the conundrum is this...either proposal alone might be possible to accommodate and mitigate at Boeing Field, but it is not possible to accommodate and mitigate both.

Both Alaska and Southwest Airlines are excellent corporate citizens who provide wonderful service to the citizens of King County. Both buy Boeing airplanes for which this region is grateful. It is not my place as County Executive to choose between them. In addition, the Prosecutor's office made it clear in the briefing that the FAA would almost certainly prevent King County from selecting one airline to the exclusion of the other.

But I cannot simply leave it there. I have heard the concerns from many King County residents in Georgetown, Beacon Hill, Magnolia and Queen Anne, and the South King County neighborhoods. To all of them I have publicly promised to make a speedy decision. I will not subject the region through an extended period of uncertainty. I have always said that we need to make this decision based on the facts. The facts are in. I now know enough to make a decision.

Therefore, because of the expanded noise and traffic issues, because I will not subsidize airlines with taxpayer money, because of community concerns, and because I will not subject the region to the uncertainty of a year long EIS that may lead to years of litigation, I am forced to reject both proposals from Southwest Airlines and Alaska Airlines to relocate commercial air service to Boeing Field. I have sent a letter to each airline notifying them of my decision, and I have directed the Department of Transportation to cease all efforts related to evaluation of these two proposals.

I am proud that King County has evaluated both proposals. For this region to succeed in the 21st Century we must be willing to explore bold and innovative ideas. Simply having this discussion has resulted in the Port of Seattle lowering its fees to all airlines, saving them tens of millions of dollars. That is a victory for the consumers of this region.

But there are more serious issues facing King County, and commercial passenger service has unfortunately become a distraction. It is time to put it behind us and unite around issues such as preparing for pandemic flu, fixing our roads, bridges and the viaduct, increasing mass transit, and protecting our land, air and water.

Thank you.