



# Port of Seattle Regular Commission Meeting

July 14, 2026



## COMMISSION REGULAR MEETING AGENDA

July 14, 2026

To be held virtually via MS Teams and in person at Port of Seattle Headquarters Building, Commission Chambers, located at 2711 Alaskan Way, Seattle Washington. You may view the full meeting live at [meetings.portseattle.org](https://meetings.portseattle.org). To listen live, call in at +1 (206) 800-4046 or (833) 209-2690 and Conference ID 741 669 440#

### ORDER OF BUSINESS

10:30 a.m.

#### 1. CALL TO ORDER

2. **EXECUTIVE SESSION** – *if necessary, pursuant to RCW 42.30.110 (executive sessions are not open to the public)*

#### ▶ 12:00 p.m. – PUBLIC SESSION

Reconvene or Call to Order and Pledge of Allegiance

3. **APPROVAL OF THE AGENDA** (*at this time, commissioners may reorder, add, or remove items from the agenda*)

#### 4. SPECIAL ORDERS OF THE DAY

#### 5. EXECUTIVE DIRECTOR'S REPORT

#### 6. COMMITTEE REPORTS

7. **PUBLIC COMMENT** – *procedures available online at <https://www.portseattle.org/page/public-comment-port-commission-meetings>*

During the regular order of business, those wishing to provide public comment (in accordance with the Commission's bylaws) on Commission agenda items or on topics related to the conduct of Port business will have the opportunity to:

**1) Deliver public comment via email:** All written comments received by email to [commission-public-records@portseattle.org](mailto:commission-public-records@portseattle.org) will be distributed to commissioners and attached to the approved minutes. Written comments are accepted three days prior to the meeting and before 9 a.m. on the day of the meeting. Late written comments received after the meeting, but no later than the day following the meeting, will be included as part of the meeting record.

**2) Deliver public comment via phone or Microsoft Teams conference:** To take advantage of this option, please email [commission-public-records@portseattle.org](mailto:commission-public-records@portseattle.org) with your name and agenda item or topic related to the conduct of Port business you wish to speak to by 9:00 a.m. PT on Tuesday, July 14, 2026. ***(Please be advised that public comment is limited to agenda items and topics related to the conduct of Port business only.)*** You will then be provided with instructions and a link to join the Teams meeting.

**3) Deliver public comment in person by signing up to speak on your arrival to the physical meeting location:** To take advantage of this option, please arrive at least 15 minutes prior to the start of any regular meeting to sign up on the public comment sheet available at the entrance to the meeting room to speak on agenda items and topics related to the conduct of Port business.

**For additional information**, please contact [commission-public-records@portseattle.org](mailto:commission-public-records@portseattle.org).

- 8. CONSENT AGENDA** (*consent agenda items are adopted by one motion without discussion*)
- 8a. Approval of the Special and Regular Meeting Minutes of June 23, 2026. **(no enclosure)**
- 8b. Monthly Notification of Prior Executive Director Delegation Actions June 2026. **(memo enclosed)**  
– For Information Only.
- 8c. Authorization for the Executive Director to Execute Up to Two Indefinite Delivery, Indefinite Quantity (IDIQ) Professional Services Agreements for Environmental Review and Permitting Consulting Services in Support of the Aviation Division with a Cumulative Total Amount Not-to-Exceed \$6,000,000 and a Contract Ordering Period of Five Years Plus Three Option Years. **(memo and presentation enclosed)**
- 8d. Authorization for the Executive Director to Execute a New Collective Bargaining Agreement Between the Port of Seattle and the International Brotherhood of Teamsters, Local 117, Representing Police Specialists in the Port of Seattle Police Department Covering the Period from July 1, 2025, through June 30, 2028. **(memo and agreement enclosed)**
- 8e. Authorization for the Executive Director to Execute a New Collective Bargaining Agreement Between the Port of Seattle and Teamsters Local 117 Representing Parking Services Revenue Representatives in the Aviation Landside Operations Department, Covering the Period from June 1, 2026, through May 31, 2029. **(memo and agreement enclosed)**
- 8f. Authorization for the Executive Director to Sign an Amended Agreed Order with the Washington State Department of Ecology to Complete a Feasibility Study and Cleanup Action Plan at the South Park Marina Site, and to Sign an Addendum to a Potentially Liable Person Cost Sharing Agreement Between the Port, South Park Marina Owners, and the City of Seattle to Share the Cost and Performance of the Scope of Work Required by the Amended Agreed Order. **(memo, order, and agreement enclosed)**
- 8g. Adoption of Resolution No. 3851: A Resolution Authorizing the Issuance and Sale of Subordinate Lien Revenue Bonds, Series 2026A and 2026B in the Aggregate Principal Amount Not-to-Exceed \$400,000,000, for the Purposes of Financing or Refinancing Capital Improvements to Aviation Facilities; Setting Forth Certain Bond Terms and Covenants; and Delegating Authority to Approve Final Terms and Conditions and the Sale of the Bonds. **(memo, resolution, and presentation enclosed)**

**10. NEW BUSINESS**

- 10a. Authorization for the Executive Director to Increase the Post-IAF Airline Realignment Project Budget by \$3,752,000, to Execute a Tenant Reimbursement Agreement with United Airlines for \$15,500,000 to Support the Construction of the Concourse B United Airlines Lounge, and to Authorize the Remaining Project Budget of \$17,352,000, for a Total Estimated Project Cost of \$158,252,000. (CIP #C801158)  
**(memo and presentation enclosed)**

**11. PRESENTATIONS AND STAFF REPORTS**

- 11a. 2027 Budget Development Briefing.  
**(memo and presentation enclosed)**

**12. QUESTIONS on REFERRAL to COMMITTEE and CLOSING COMMENTS**

**13. ADJOURNMENT**



P.O. Box 1209  
Seattle, Washington 98111  
[www.portseattle.org](http://www.portseattle.org)  
206.787.3000

**APPROVED MINUTES  
COMMISSION REGULAR MEETING**

**June 23, 2026**

The Port of Seattle Commission met in a regular meeting Tuesday, June 23, 2026. The meeting was held at the Port of Seattle Headquarter Building Commission Chambers, located at 2711 Alaskan Way, Seattle, Washington, and virtually on Microsoft Teams. All Commissioners were in attendance.

**1. CALL to ORDER**

The meeting was convened at 12:07 p.m. by Commission President Ryan Calkins, who led the flag salute.

**2. EXECUTIVE SESSION pursuant to RCW 42.30.110**

No executive session was held.

**3. APPROVAL of the AGENDA**

The agenda was approved, as presented.

**4. SPECIAL ORDERS OF THE DAY**

**4a. Proclamation Recognizing June 2026 as Pride Month.**

Requested document(s) included a proclamation.

Presenter(s):

Bookda Gheisar, Senior Director Equity, Diversity, and Inclusion  
Pennie Saum, Manager Process Improvement Program, Office of Strategic Initiatives  
Mary Van Biber, Manager Strategic Business Planning Investments, Office of Strategic Initiatives  
Jim Wanex, Senior Administrative Assistant, Maritime Division

Clerk Hart read Item 4a into the record and Executive Director Metruck introduced the item.

The proclamation was read into the record by Port Staff and Members of the Port Pride Employee Resource Group.

Members of the Commission thanked the readers of the proclamation and Director Gheisar for their leadership; discussed the local impact of the proclamation and support of Pride; federal efforts to revoke rights of the LGBTQIA+ community; and spoke regarding inclusivity in language and in policies.

**The motion, made by Commissioner Hasegawa, to approve Item 4a carried by the following vote: In favor: Calkins, Cho, Felleman, Hasegawa, and Mohamed (5)  
Opposed: (0)**

**5. EXECUTIVE DIRECTOR'S REPORT**

Executive Director Metruck previewed items on the day's agenda and made general and meeting-related announcements.

**6. COMMITTEE REPORTS**

Committee Strategic Advisor Erica Chung provided committee reports.

Sustainability Environment and Climate Committee

Commissioners Calkins and Felleman convened the Sustainability Environment and Climate Committee on June 16, 2026, with one item for discussion – the Environmental and Sustainability Annual Report, a preview to the Annual Report briefing that will take place later today.

Waterfront and Industrial Lands Committee

Commissioners Felleman and Cho convened the Waterfront Industrial Lands Committee on June 16, 2026. The Economic Development team, joined by an external consultant, Charlie Costanzo, provided an introductory briefing on their analysis of the shipbuilding industrial base and capabilities in the greater Seattle area.

Portwide Arts and Culture Board

The Portwide Arts and Culture Board met on June 16, 2026 with Commissioner Felleman in attendance. The Board discussed ongoing projects, including the Pier 69 mural; the upcoming temporary exhibit at Railspur; and other projects in progress. The Board also discussed two key documents, the recently completed five-year strategic plan, and the draft public art guidelines. The Board committed to holding additional ad-hoc working group meetings to discuss the guidelines, with a goal of approving them formally at their next quarterly meeting.

**7. PUBLIC COMMENT**

- The following person stated they were proud of FIFA and the welcome Washington has given to people all over the world; discussed cumulative impacts of the airport over time; noted that

there can be a balance between a healthy community and a thriving airport and noted ways in which that can be accomplished through partnership: Senator Tina Orwall.

- The following people spoke regarding the Sustainable Airport Master Plan (SAMP) and projects included in the SAMP supporting the economy and the region, and need to invest in infrastructure to meet future growth: Ken Short, Association of Washington Business;
- The following person spoke in favor of investment in airport improvements to support future demand, visitor growth, and to reduce congestion: Michael Woody, Visit Seattle.
- The following person shared concerns regarding the SAMP environmental assessment and disproportional impacts in near-airport communities: Barton DeLacy, city of Des Moines StART representative. (written comments submitted)
- In lieu of spoken comment, written comment supporting proposed projects in the SAMP, described in the State Environmental Protection Act (SEPA) Draft Environmental Impact Statement (DEIS), were submitted by: Maria Hackermann, Lufthansa Group; and Dennis Sills, Downtown Seattle Association.
- In lieu of spoken comment, written comment including a list of signatories, asking the Port to extend the public comment period for the SAMP SEPA DEIS from 60 days to 90 days was submitted by: Lynda Wong.
- In lieu of spoken comment, written comment in support of Agenda Item 11b, environment and sustainability projects was submitted by: Robert Thomas.

*[Clerk's Note: All written comments are combined and attached here as Exhibit A.]*

## **8. CONSENT AGENDA**

*[Clerk's Note: Items on the Consent Agenda are not individually discussed. Commissioners may remove items for separate discussion and vote when approving the agenda.]*

- 8a. Approval of the Regular Meeting Minutes of June 9, 2026, and Special Meeting Minutes of June 11, 2026.**
- 8b. Approval of the Claims and Obligations for the Period of May 1, 2026, through May 31, 2026, Including Accounts Payable Check Nos. 963678 through 964075 in the Amount of \$10,240,543.58; Accounts Payable ACH Nos. 084751 through 085530 in the Amount of \$104,240,378.93; Accounts Payable Wire Transfers Nos. 069668 through 069690 in the Amount of \$17,452,159.52; Payroll Check Nos. 230459 through 230556 in the Amount of \$85,652.37; and Payroll ACH Nos. 1315656 through 1320762 in the Amount of \$19,209,869.53, for Total Payments of \$151,228,603.93.**

Request document(s) included an agenda memorandum.

- 8c. Adoption of Resolution Nos. 3849 and 3850: Issuance and Sale of Intermediate Lien Revenue Refunding Bonds in the Aggregate Principal Amount of Not-to-Exceed \$250,000,000 and Issuance and Sale of First Lien Revenue Refunding Bonds in the Aggregate Principal Amount of Not-to-Exceed \$70,000,000.**
- 8c-1. Resolution No. 3849: A Resolution of the Port Commission of the Port of Seattle authorizing the issuance and sale of Intermediate Lien Revenue Refunding Bonds, Series 2026 in the aggregate principal amount of not to exceed \$250,000,000 (the**

“2026 Intermediate Lien Bonds”), for the purpose of refunding the Port’s Intermediate Lien Revenue Bonds, Series 2015C (the “2015C Bonds”) and the Port’s Intermediate Lien Revenue Refunding Bonds, Series 2016 (the “2016 Bonds”).

- 8c-2. Resolution No. 3850: A Resolution of the Port Commission of the Port of Seattle authorizing the issuance and sale of First Lien Revenue Refunding Bonds, Series 2026 in the aggregate principal amount of not to exceed \$70,000,000 (the “2026 First Lien Bonds”), for the purpose of refunding the Port’s First Lien Revenue Refunding Bonds, Series 2016B (the “2016B Bonds”).**

Requested documents included an agenda memorandum, resolution 1, resolution 2, and presentation.

- 8d. Commission Approval of International Travel Requests for Known Travel in the Third Quarter of 2026.**

Request document(s) included an agenda memorandum.

- 8e. Authorization for the Executive Director to Approve Funding to Complete Design and Permitting of a New Telecommunication Meet Me Room at Terminal 91 in the Requested Amount of \$900,000, for an Increased Total Authorization To-Date of \$1,000,000 and a Total Estimated Project Cost of \$12,200,000. (CIP# C802027).**

Request document(s) included an agenda memorandum and presentation.

**The motion to approve the Consent Agenda, made by Commissioner Hasegawa, carried by the following vote:**

**In favor: Calkins, Cho, Felleman, Hasegawa, and Mohamed (5)**

**Opposed: (0)**

**9. UNFINISHED BUSINESS**

There was no unfinished business presented.

**10. NEW BUSINESS**

- 10a. Introduction of Resolution No. 3851: A Resolution Authorizing the Issuance and Sale of Subordinate Lien Revenue Bonds, Series 2026A and 2026B in the Aggregate Principal Amount Not-to-Exceed \$400,000,000, for the Purposes of Financing or Refinancing Capital Improvements to Aviation Facilities; Setting Forth Certain Bond Terms and Covenants; and Delegating Authority to Approve Final Terms and Conditions and the Sale of the Bonds.**

Requested document(s) included an agenda memorandum, resolution, and presentation.

Presenter(s):

Chris Wimsatt, Chief Financial Officer, Finance and Budget  
Scott Bertram, Manager Corporate Finance, Finance and Budget  
Angie Rose, Principal Financial Analyst, Finance and Budget

Clerk Hart read Item 10a into the record and Executive Director Metruck introduced the item.

The presentation addressed:

- sale and issuance of Subordinate Lien Revenue Bonds, Series 2026A&B;
- background information related to variable rate debt;
- variable rate debt's ability to lower the Port's cost of capital;
- other benefits including asset-liability management and providing a flexible structure;
- risk in rate volatility;
- general benefits, risks, and mitigation associated with the bonds;
- direct bank loan benefits and risks; and
- next steps – adoption of the resolution at the July 14<sup>th</sup> Commission meeting and bond closing tentatively scheduled in the month of August.

Discussion ensued regarding:

- how exposure to a variable rate mitigates risk when events are unpredictable;
- variable rate debt applicable to new debt;
- policy and structure of the Port's fixed rate investments;
- the potential of an inverted yield curve;
- generating higher returns in our investment portfolio in the future and finding a strategy to accomplish that; and
- transaction costs.

**The motion, made by Commissioner Cho, carried by the following vote:**

**In favor: Calkins, Cho, Felleman, Hasegawa, and Mohamed (5)**

**Opposed: (0)**

**11. PRESENTATIONS AND STAFF REPORTS**

- 11a. 2025 Workforce Development Annual Report.**

Presentation document(s) included an agenda memorandum and presentation.

Presenter(s):

Anna Pavlik, Director Workforce Development  
Leslie Horton, Workforce Development Manager and Data Analyst  
Robert Brown, Workforce Development Manager and Data Analyst

Clerk Hart read Item 11a into the record and Executive Director Metruck introduced the item.

*(Commissioner Hasegawa exited the meeting at 1:30 p.m.)*

The presentation addressed:

- mission/programs;
- aligning investments with industry needs;
- shared vision and successes;
- career connected learning;
- continuum of services;
- leveraging funds through partnerships;
- 2025 accomplishments, including record numbers in hours worked in the construction category and pre-apprenticeship training results;
- aviation 2025 demographics and job placements;
- Youth Maritime Career Launch demographics and internship placements;
- green jobs and the Duwamish Valley Career Navigator program; and
- next steps in workforce development in 2027.

Discussion ensued regarding:

- key performance indicators for construction;
- funding apprentices through the tax levy;
- return on investment analysis;
- steps taken to ensure coordination across the organization;
- a tracking system for outreach events;
- coordination with Career Connected Learning;
- navigator positions added in 2025;
- maritime internship placements and the goal of more adult maritime placements in 2026;
- partnerships through Port Jobs; and
- many trades associated with ship building.

Members of the Commission thanked the team for their presentation and their work.

### **11b. 2025 Environment and Sustainability Annual Report.**

Presentation document(s) included an agenda memorandum and presentation.

Presenter(s):

Sandra Kilroy, Senior Director Environment and Sustainability  
Sarah Cox, Director Aviation Environment and Sustainability  
Sarah Ogier, Director Maritime Environment and Sustainability

Clerk Hart read Item 11b into the record and Executive Director Metruck introduced the item.

The presentation addressed:

- building a sustainable and resilient Port;
- 2025 accomplishments including PFAS removal; shore power record utilization; cruise biofuel demonstration project; fast chargers installed at SEA; salmon habitat created; trees and shrubs planted; sound insulation repair and replace pilot program; Quiet Sound; PNW2AK Green Corridor green methanol study; programmatic permits; Seattle waterfront clean energy strategy; reduction in Port controlled emissions; ADAPTSEA; construction waste diverted; and federal funding for clean ports;
- 2025 reporting categories;
- healthy lands and habitats;
- cleaning up contaminated lands;
- protecting water quality;
- reducing waste;
- resilient and sustainable infrastructure;
- Charting the Course to Zero – Scope 1 and 2 emissions reduction;
- Scope 3 emissions – airport and seaport;
- environmental planning and permitting;
- lessening the impact of aircraft noise;
- practicing equity, diversity, and inclusion; and
- engaging the community.

Discussion ensued regarding:

- sustainable building for the Concourse expansion;
- greenhouse gas emissions reduction including natural gas transition at the airport;
- airlines plugging into the pre-conditioned air system and hose configurations;
- emissions of the Northwest Seaport Alliance operations inventoried and reported separately;
- engaging with cities regarding sound insulation and their goals;
- sound reduction elements include in building codes;
- public outreach undertaken regarding the Sustainable Airport Master Plan and the State Environmental Protection Act process;
- showcasing what the Port does with respect to environmental leadership;
- sustainable fuel and efficiencies;
- factors affecting a relatively small percentage of cruise ships not able to plug into shorepower;
- guiding investments through emissions data; and
- getting information to mariners so they can be aware of whale locations and looking into what the Marine Exchange can do.

Members of the Commission thanked the team for their presentation and their work.

## **12. QUESTIONS on REFERRAL to COMMITTEE and CLOSING COMMENTS**

Discussion ensued regarding public engagement for comments of the Sustainable Airport Master Plan Near-Term Projects State Environmental Protection Act Draft Environmental Impact Statement.

**13. ADJOURNMENT**

The meeting adjourned at 3:27 p.m.

Prepared:

Attest:

\_\_\_\_\_  
Michelle M. Hart, Commission Clerk

\_\_\_\_\_  
Sam Cho, Commission Secretary

Minutes approved: July 14, 2026



P.O. Box 1209  
Seattle, Washington 98111  
www.portseattle.org  
206.787.3000

## **APPROVED MINUTES COMMISSION SPECIAL MEETING**

**June 23, 2026**

The Port of Seattle Commission met in a special meeting per RCW 42.30.080 on June 23, 2026. The meeting was held at the Port of Seattle Headquarters Building Commission Chambers, located at 2711 Alaskan Way, Seattle, Washington, with Commissioners attending virtually. All Commissioners were in attendance.

### **I. CALL to ORDER**

The meeting was convened at 9:17 a.m. by Commission President Calkins for the purpose of holding a study session regarding 2027 budget planning and Commissioner priorities.

### **II. ITEMS OF BUSINESS**

Members of the Commission discussed their individual budget priorities for 2027.

Discussion ensued regarding:

- being mindful of budget and economic conditions;
- investing in workforce development;
- retraining and understanding where jobs are available;
- creating one big strategy to look at workforce holistically;
- ensuring that Port dollars intended for community organizations reach intended purposes;
- consultants' roles in performing contract work;
- following deliverables closely;
- leveraging other workforce development agencies;
- workforce development partnerships with the Museum of Flight and immersive experiences;
- investing in youth;
- tracking equity spending;
- elevating maritime awareness;
- completing the Elliott Bay Loop to connect maritime along the waterfront with signage for the Port;
- transformational travel and invoking greater compassion for the environment;
- encouraging cruise lines to do more with respect to selling the environment;
- the potential of creating an alternative fuels purchase account and putting passenger fees back into the environment;
- making Port facilities more available to the public for community meeting spaces;

*Digital recordings of the meeting proceedings and meeting materials are available online – [www.portseattle.org](http://www.portseattle.org).*

- addressing the crane at Shilshole Marina and continuing with sea lion deterrent efforts;
- making the baggage claim area at the airport more engaging;
- establishing a Port to Port mentorship program;
- small business contract readiness and continued support for the accelerator program for maritime and aviation industries;
- continuing to bolster anti human trafficking efforts;
- strengthening TSA operational continuity and a feasibility study for possible privatization;
- continued presence in the national arena;
- advancing sustainable fuels and supply chain;
- green economy and reinvigorating the maritime industrial base; and
- shipbuilding and infrastructure improvements.

Commission Chief of Staff Aaron Pritchard noted that July 24, 2026, is the deadline for budget priorities.

Discussion ensued regarding the Commission Orders/policy directives action tracker.

### **III. ADJOURNMENT**

The meeting adjourned at 10:50 a.m.

Prepared:

Attest:

\_\_\_\_\_  
Michelle M. Hart, Commission Clerk

\_\_\_\_\_  
Sam Cho, Commission Secretary

Minutes approved: July 14, 2026



**COMMISSION  
AGENDA MEMORANDUM  
FOR INFORMATION ONLY**

**Item No.** 8b  
**Date of Meeting** July 14, 2026

**DATE:** June 30, 2026  
**TO:** Stephen P. Metruck, Executive Director  
**FROM:** Karen R. Goon, Deputy Executive Director

**SUBJECT: Monthly Notification of Prior Executive Director Delegation Actions June 2026**

**APPROVAL SUMMARY**

Notification of the following Executive Director delegated approvals that occurred in June 2026.

<b>Category of Approval</b>	<b>Request#</b>	<b>Description of Approvals June 2026</b>	<b>Category Amount</b>
Projects & Associated Contracts		No Approvals in June	\$0.00
Non-Project Procurement of Goods & Purchased Service Contracts, Other Contracts, & Tenant Reimbursement	2863-2026	Pre-Conditioned Air Hose Trolley System - Standardize the hose management for pre-conditioned Air	\$1,200,000.00
Non-Project Procurement of Goods & Purchased Service Contracts, Other Contracts, & Tenant Reimbursement	2844-2026	Marine Maintenance Decant Services	\$1,000,000.00
Non-Project Procurement of Goods & Purchased Service Contracts, Other Contracts, & Tenant Reimbursement	2850-2026	Alteryx Contract Authorization	\$1,900,000.00
Non-Project Procurement of Goods & Purchased Service Contracts, Other Contracts, & Tenant Reimbursement	2846-2026	Hubspot Implementation Services IDIQ 2026	\$500,000.00

Meeting Date: July 14, 2026

Non-Project Procurement of Goods & Purchased Service Contracts, Other Contracts, & Tenant Reimbursement	2781-2026	Intergovernmental Agreement for Emergency Management Assistance Compact (EMAC) and Pacific Northwest Emergency Management Arrangement (PNEMA) between Washington State Military and Port of Seattle – Fire Department	\$0.00
Non-Project Procurement of Goods & Purchased Service Contracts, Other Contracts, & Tenant Reimbursement	2877-2026	2026 Revised FV Quaker Maid Salvage and Disposal	\$767,919.85
Real Property Agreements	N/A	No Approvals in June	\$0.00
Utilization of Port Crews	N/A	No Approvals in June	\$0.00
Sale of Surplus Port Property	N/A	No Approvals in June	\$0.00
<b>Total Value of Executive Director Approvals</b>			<b>\$5,367,919.85</b>

**TRANSPARENCY:**

In approving the delegations for the Executive Director, the Commission requested that staff ensure transparency as it is paramount moving forward. As a result, staff will make approvals visible to the public in two ways. First, these types of approvals will be made visible in public Commission meetings via monthly reporting similar to this one. This approval is both timed and designed to be visible in a similar manner to the monthly Claims and Obligations reporting. Second, staff will publish these delegations to the web by publishing them in a PeopleSoft formatted report on the Port website in the same manner that all procurements, contracts, and other opportunities are made available to public communities.

**BACKGROUND:**

On January 24, 2023, the Commission approved and adopted Resolution No. 3810 that repealed related prior resolutions and increased the previously delegated Commission authority to the Executive Director and provided clarity in process directives to port staff. The approval made the Delegation of Responsibility and Authority to the Executive Director (DORA) effective on April 3, 2023, and the approvals made by the Executive Director for the month of April are identified in the table above.

The foundation for Resolution No. 3810 included significant data analysis, employee surveys, and internal audit recommendation. Resolution No. 3810 also aligns with the Port Century Agenda in that it helps make the Port a more effective public agency. Many considerations and checks and balances have been built into the associated processes of Executive Director approvals including a high bar of transparency.

Following significant analysis and multiple Commission reviews, the Commission approved the DORA on January 24, 2023. That reporting memo is available for review on the Port website under the January 24, 2023, Commission public meeting, and it provides detailed reasoning and explanation of Resolution No. 3810.



**COMMISSION  
AGENDA MEMORANDUM**

**Item No.** 8c

**ACTION ITEM**

**Date of Meeting** July 14, 2026

**DATE :** June 18, 2026

**TO:** Stephen P. Metruck, Executive Director

**FROM:** Sarah Cox, Director of Aviation Environment & Sustainability  
Allie Bull, Senior Environmental Management Specialist  
Steve Rybolt, Senior Environmental Program Manager

**SUBJECT: Aviation Environmental Review, Permitting, & Sustainability On-Call Contract Advertisement and Execution**

**Amount of this request:** \$6,000,000

**ACTION REQUESTED**

Request Commission authorization for the Executive Director to execute up to two indefinite delivery, indefinite quantity (IDIQ) professional services agreements for environmental review and permitting consulting services in support of the Aviation Division with a cumulative total amount not to exceed \$6,000,000 and a contract ordering period of five years plus three option years. The ordering period aligns with airport mitigation compliance and capital planning horizons. No funding is associated with this request.

**EXECUTIVE SUMMARY**

The Aviation Environment & Sustainability Department proposes advertising and selecting up to two qualified firms to provide environmental review and permitting services. If authorized, the procured services will replace an existing IDIQ contract anticipated to reach its funding limit in early 2027. The proposed IDIQ will be used to ensure development and redevelopment projects meet or exceed environmental standards by conducting State Environmental Policy Act (SEPA) and National Environmental Policy Act (NEPA) review; obtaining federal, state and local environmental permits, and ensuring compliance with environmental determinations and permit conditions. The contract will also provide services to support airport sustainability initiatives such as the United States Green Building Council’s (USGBC) Leadership in Energy and Environmental Design (LEED) programs, Airport Carbon Accreditation program, and the Port’s Sustainable Evaluation Framework (SEF). These services are essential for enabling economic development; achieving the Port’s Century Agenda Strategy 4 – to be the greenest, and most energy efficient port in North America; and responsibly stewarding community financial, social, and environmental resources.

Meeting Date: July 14, 2026

\*There may be up to two Service Agreements executed to ensure there is adequate local, state, and federal experts represented on the consultant team(s).

**JUSTIFICATION**

Timely environmental review and permitting is essential for keeping operations and capital projects on schedule and budget. Therefore, fulfilling environmental regulatory obligations through this procurement supports the Port’s Century Agenda objective to meet the region’s transportation needs. It also supports positioning the Puget Sound region as a premier logistics and transportation hub as the airport maintains and grows infrastructure investments.

This procurement will allow the Port to responsibly manage finances by providing a cost-effective means of managing programs that have variable workloads, are time-sensitive, and require specialized expertise. The Aviation Capital Process, Airport Building Department and any required NEPA/SEPA determination or environmental permits require specific submittals and environmental analyses for approval. Work under this contract will provide specialized expertise required at the Airport, which operates as a utility with a unique regulatory environment. Importantly, this contract also provides capacity for third-party review of projects.

The contract duration and value will ensure the Port has continuity and capacity throughout an eight-year capital improvement program horizon to support permitting, environmental design, and construction for individual projects and programs. The contract scope will also support long-term compliance monitoring efforts.

***Diversity in Contracting***

Port staff consulted the Diversity in Contracting Department within the Economic Development Division to set a woman- and minority-owned business enterprise (WMBE) goal. A goal of sixteen percent has been recommended, based on previous IDIQ contracts. Funding of services under this contract will come separately from annual operating budgets.

**DETAILS**

IDIQ contracts provide the Port with the necessary flexibility to meet business requirements as they arise by issuing individual service directives to accomplish tasks within a general, pre-defined scope of work, on an as-needed basis, for a fixed period of time, and a maximum contract amount. Specifically, this service agreement will allow Aviation Environment & Sustainability to review and permit airport operational and development projects on time and on schedule; maintain compliance and environmental permits; and continue to integrate sustainability initiatives into airport programs and processes. Services will also include as-needed support for the activities of other Port groups such as Economic Development, Aviation Properties, Aviation Facilities, and Legal.

Meeting Date: July 14, 2026

Individual service directives consisting of a scope, level of effort, and scheduled will be negotiated and executed as needed. Funds will be derived primarily from Aviation Environment & Sustainability annual operating budgets but will also use Capital Funds for approved projects as needed.

***Scope of Work***

The service agreement will provide services to implement environmental review, permitting and compliance, and sustainability initiatives. Specific support services may include conducting preliminary environmental review and strategy development; preparing, negotiating, and obtaining environmental permits, including associated documentation; support post-project administration, monitoring, and compliance; developing conceptual and preliminary environmental designs, and researching and preparing documentation related to sustainability initiatives such as LEED and Airport Carbon Accreditation. The above tasks include specialized environmental monitoring and data collection; compiling and managing data; and assessing, analyzing, modeling, or otherwise using the data to support decision-making, materials preparation, and communications.

This service agreement is not intended to support the Sustainable Airport Master Plan Near-Term Projects environmental review.

***Schedule***

The IDIQ service agreement will have a contract ordering period of five years plus three option years during which service directives may be issued. Each service directive will specify the scope, duration, and schedule associated with the work. The contract ordering period will ensure continuity of environmental review, permitting, and compliance efforts. The contract may extend past the eight-year ordering period, but no new services directives will be issued after the ordering period or when contract funding capacity is reached, whichever occurs first.

**ALTERNATIVES AND IMPLICATIONS CONSIDERED**

**Alternative 1** – Utilize existing Port staff.

Cost Implications: \$0

Pros:

- (1) Minimizes expenses
- (2) Allows for development of institutional knowledge
- (3) Continuity across projects reduces ramp-up time

Cons:

- (1) Staff capacity is limited
- (2) Less access to specialized expertise on technical topics
- (3) Risk of internal blind spots

This is not the recommended alternative.

Meeting Date: July 14, 2026

**Alternative 2** – Utilize project-specific contracting

Cost Implications: \$50-300,000 per project

Pros:

- (1) Allows for clear scope and project-specific deliverables
- (2) Costs can be integrated into project budgets

Cons:

- (1) Time-consuming to initiate on a project-by-project basis
- (2) Expertise would only be available to specific projects
- (3) Lack of ability to utilize expertise for other projects

This is not the recommended alternative.

**Alternative 3** – Current proposal for an IDIQ managed by senior Port staff.

Cost Implications: \$6,000,000

Pros:

- (1) Enables time-sensitive projects.
- (2) Enables high-capacity projects.
- (3) Aligns staff and technical expertise to varying workloads.
- (4) Reduces contract procurement and administration as well as technical staffing costs.

Cons:

- (1) Less cost predictability

***This is the recommended alternative.***

**FINANCIAL IMPLICATIONS**

There is no funding associated with this request for authorization. Funding for Service Directives under this contract will be for work authorized by either future capital projects or annual Aviation Division operating budgets.

**ADDITIONAL BACKGROUND**

Environmental review and permitting services to support aviation capital development and operations have been procured via IDIQ service agreements dating back to at least the 1997 Master Plan Update. Contracts were procured most recently in 2009, 2012, 2016, and 2019. The 2019 procurement was for 5 years and \$6.5 million. That contract is set to use remaining funds by mid-2027. New procurements for stormwater services have been authorized separately. With no planned increase in staffing, this procurement anticipates a significant increase in development activities and related environmental impacts and proposes a commensurate increase in funding.

Meeting Date: July 14, 2026

**ATTACHMENTS TO THIS REQUEST**

- (1) Presentation slides

**PREVIOUS COMMISSION ACTIONS OR BRIEFINGS**

November 19, 2019 – Commission Action: “Aviation Environmental Review and Permitting IDIQ Contract”

March 6, 2016 – Commission Action: “Aviation Environmental Review and Permitting IDIQ Service Agreement”

# Aviation Environmental Review, Permitting, & Sustainability On-Call Contract Advertisement & Execution

# Action Requested

- Request Commission authorization for the Executive Director to execute up to two indefinite delivery, indefinite quantity professional services agreement for environmental review and permitting consulting services in support of the Aviation Division with a cumulative total amount not to exceed \$6,000,000 and a contract ordering period of five years plus three option years.

# Justification

- Operational flexibility to scale Port needs based on project and/or regulatory timing
- Swift [emergency] responses for unexpected events
- Organizational costs efficiencies based on utilizing technical experts when and as needed to complement existing internal staff experts
- May be used across Port Divisions, i.e., Maritime, Real Estate, etc.

# Scope

- The service agreement will provide services to implement environmental review, permitting and compliance, and sustainability initiatives.
- Specific support services may include:
  - conducting preliminary environmental review and strategy development;
  - preparing, negotiating, and obtaining environmental permits;
  - support post-project administration, monitoring, and compliance;
  - developing conceptual and preliminary environmental designs



**COMMISSION  
AGENDA MEMORANDUM**

**Item No.** 8d

**ACTION ITEM**

**Date of Meeting** July 14, 2026

**DATE:** June 4, 2026

**TO:** Stephen P. Metruck, Executive Director

**FROM:** Milton Ellis, Assistant Director of Labor Relations

**SUBJECT:** **New Collective Bargaining Agreement Between the Port of Seattle and the International Brotherhood of Teamsters, Local 117, Teamsters, Representing Police Specialists**

**Total Port Cost Increase for the Duration of the Agreement:** \$181,223

**ACTION REQUESTED**

Request Commission authorization for the Executive Director to execute a new collective bargaining agreement between the Port of Seattle and the International Brotherhood of Teamsters, Local 117, representing Police Specialists in the Port of Seattle Police Department covering the period from July 1, 2025, through June 30, 2028.

**EXECUTIVE SUMMARY**

Good faith bargaining between the International Brotherhood of Teamsters, Local 117, representing Police Specialists and the Port of Seattle resulted in a fair collective bargaining agreement consistent with the Port’s priorities.

There are currently nine (9) Police Specialists filled positions out of a total of eleven (11) budgeted FTE positions, employed at the Port of Seattle who are assigned to the Port of Seattle Police Department. The police specialists perform a variety of administrative support duties for the Port Police department.

The agreement is for three years, covering the period from July 1, 2025, through June 30, 2028. The estimated total cumulative cost for wages and benefit increases is \$181,223. The estimated cumulative cost per year of the contract is: year one (2025-2026) \$24,951, year two (2026-2027) \$85,750 and year 3 (2027-2028) \$181,223.

The cost is based upon a four percent (4.0%) wage increase in year one of the agreement effective July 1, 2025, a three percent (3.0%) wage increase in year two effective July 1, 2026, and a three percent (3.0%) increase in year three effective July 1, 2027.

Meeting Date: July 14, 2026

The cost also consists of an estimated eight percent (8%) increase in health insurance in year one of the agreement and an estimated eight percent (8.0%) increase in health insurance in year two and year three respectively of the agreement.

Other additions to the agreement consist of modifying the seniority provision to allow employees to pursue other represented positions in the Port Police Department and return to the bargaining unit if they were not successful in the position in which they transferred; update jury duty provision to allow employees to keep any remuneration from the court; all cash out and lump sum payments pension and benefits contributions shall be addressed in accordance with law; delete the shift differential provision since all employees in the bargaining unit are assigned to day shift assignments; incorporate reference to the Port payroll calendar which will be used as an indicator of when an employee become eligible for health insurance; employee medical premium share has increased from one hundred fifty dollars (\$150) per month to one hundred sixty dollars (\$160) per month effective in the third year agreement, on May 1, 2028.

Other additions to the contract include the addition of aunts and uncles to the immediate family definition for purposes of bereavement leave; the Port's compliance with RCW 42.56.250 (12) when information contained in an employee's personnel file is subject to public records request; and an inclusion of a provision in the grievance procedure under the Arbitration section that allows the parties to select an Arbitrator from an Agency other than the Federal Mediation Conciliation Service (FMCS) by mutual agreement in those instances where FMCS is unresponsive to an Arbitration request.

**JUSTIFICATION**

RCW Chapter 41.56 requires the Port of Seattle to collectively bargain wages, hours and conditions of employment with the exclusive bargaining representative designated by the employees.

**DETAILS**

Term of the Agreement

Retroactive to July 1, 2025, through June 30, 2028.

Meeting Date: July 14, 2026

**FINANCIAL IMPLICATIONS**

**Wages**

<b>Classification</b>	<b>Service Time</b>	<b>Current Rate - A Four Step Annual Salary Progression</b>	<b>Effective 7/1/25 Base Hourly Rate (4.0%)</b>	<b>Effective 7/1/26 Base Hourly Rate (3.0%)</b>	<b>Effective 7/1/27 Base Hourly Rate (3.0%)</b>
<i>Police Specialist</i>	Entry	\$35.63	\$37.06	\$38.17	\$39.32
	12 Months	\$37.41	\$38.91	\$40.08	\$41.28
	24 Months	\$39.28	\$40.85	\$42.08	\$43.34
	36 Months	\$41.25	\$42.90	\$45.19	\$47.52
	48 Months	\$43.31	\$45.04	\$46.39	\$47.78

Employees in the bargaining unit were provided with a four percent (4.0%) increase in wages effective July 1, 2025, in the first year of the agreement. Employees were also provided with a three percent (3.0%) increase effective the second year of the agreement, July 1, 2026, and a three percent (3.0%) increase effective the third year of the agreement, July 1, 2027.

**Health and Welfare**

Members of the bargaining group are currently enrolled Teamsters Medical Plan A. Employees are currently paying one hundred and fifty (\$150) dollars per month for premium share. Effective May 1, 2028, this premium share amount will increase by ten dollars (\$10) for a total of one hundred sixty dollars (\$160) per month.

**Other Changes/Additions include:**

- Modifying the seniority provision to allow members of the bargaining group to pursue other positions outside the bargaining unit
- Updating the Jury leave provision to reflect current practice
- The addition of aunts and uncles to the immediate family definition for purposes of bereavement leave;
- Port compliance with RCW 42.56.250 (12) when information contained in an employee’s personnel file is subject to public records request.

<b>Cost Impact \$</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>
<i>Pay</i>	\$15,621	\$32,526	\$47,200
<i>Benefits</i>	\$9,330	\$28,273	\$48,272
<i>Total New Money</i>	\$24,951	\$60,799	\$95,473
<i>Total Cumulative Cost</i>	\$24,951	\$85,750	\$181,223

The estimated total cumulative cost to the Port of Seattle for the duration of the contract is \$181,223.

**ATTACHMENTS TO THIS REQUEST**

1. Collective Bargaining Agreement

**PREVIOUS COMMISSION ACTIONS OR BRIEFINGS**

None

**PORT OF SEATTLE AND LOCAL 117 SETTLEMENT AGREEMENT (POLICE SPECIALISTS)**

**May 11, 2026**

# **A G R E E M E N T**

**By and Between**

**PORT OF SEATTLE**

**And**

**TEAMSTERS LOCAL UNION NO. 117**

**Affiliated With The  
International Teamsters Union**



# **REPRESENTING POLICE SPECIALISTS**

## **Term of Agreement TABLE OF CONTENTS PORT OF SEATTLE - POLICE SPECIALISTS**

<b><u>ARTICLE</u></b>	<b><u>PAGE</u></b>
Article 1 - Purpose of Agreement -----	1
Article 2 - Union Recognition -----	1
Article 3 - Union Membership -----	1
Article 4 - Payroll Deduction -----	2
Article 5 - Union Representative Access -----	2
Article 6 - Bulletin Board -----	2
Article 7 - Equal Employment Opportunity -----	2
Article 8 - Management Rights -----	3
Article 9 - Seniority -----	4
Article 10 - Jury Duty/Court Appearances -----	5
Article 11 - Bereavement Leave -----	5
Article 12 - Hours of Work and Overtime -----	6
Article 13 - Vacation -----	8
Article 14 - Holidays -----	10
Article 15 - Requested Benefits -----	11
Article 16 - Leave Without Pay -----	14
Article 17 - Sick Leave -----	14
Article 18 - Health and Welfare Programs -----	16
Article 19 - Pensions -----	17
Article 20 - Performance of Duty, Strikes and Lockouts -----	17
Article 21 - Savings Clause -----	18
Article 22 - Entire Agreement -----	18
Article 23 - Appendices Incorporated into Agreement -----	18
Article 24 - Grievance Procedure -----	18

Article 25 - Conference Board ----- 21  
Article 26 - Terms of the Agreement ----- 21  
Appendix "A" - Pay Rates ----- 23  
Appendix "B" – Drug Testing / Substance Abuse ----- 26

## **AGREEMENT**

### **ARTICLE 1 - PURPOSE OF AGREEMENT**

This mutual Collective Bargaining Agreement (hereinafter referred to as the Agreement) has been entered into by the International Brotherhood of Teamsters, Local Union No. 117 (hereinafter referred to as the Union), and the Port of Seattle (hereinafter referred to as the Port), which may hereinafter be referred to as Parties. The purpose of this Agreement is the promotion of harmonious relations between the Port and the Union; the establishment of equitable and peaceful procedures for the resolution of differences; and the establishment of rates of pay, hours of work, benefits, and other terms and conditions of employment.

### **ARTICLE 2 - UNION RECOGNITION**

2.01 The Port recognizes the Union as the sole and exclusive bargaining agent for Port of Seattle employees working in the police specialist classification and excluding the department head, supervisors, confidential employees and all other employees of the Employer.

2.02 In accordance with RCW 41.56.037, the Union will be given thirty (30) minutes to meet with new employees of the bargaining unit within ninety (90) days of employment at a mutually agreeable time to discuss matters concerning the rights of employees, responsibilities of the Union, and services available to the membership. A Union Representative, Shop Steward, and/or Local Union member will be responsible for the presentation. Only the new employee will be released from duty with pay.

### **ARTICLE 3 - UNION MEMBERSHIP**

3.01 The Port shall notify the Union as soon as possible of any deduction authorization received by the Port. Upon receiving notice from the Union, the Port agrees to deduct from the paycheck of each Union member or each non-member voluntary financial supporter covered by this Agreement who has voluntarily so authorized it, the initiation fee, and regular monthly dues, assessments or voluntary non-member financial supporter fee. Such authorization for deductions may be made in writing, electronically or through recorded voice. The Port shall transmit fees and dues to the Union once each month on behalf of the employees involved. If a deduction error is identified, the error will be addressed as soon as practicable.

3.02 The Port agrees to notify the Union of any new employees employed in classifications covered by this Agreement within five (5) business days from date of hire.

3.03 A Union member or voluntary financial supporter of the Union may cancel their payroll deduction authorization in accordance with the terms of the Union's payroll deduction authorization form by giving written notification to the Union. If the Union receives such written notification, confirmation will promptly be sent to the Port by the Union when the terms of the employee's signed payroll deduction authorization form regarding cancellation have been met.

The Port will make an effort to end the automatic dues deduction effective the first pay period but no later than the second pay period after receipt of the written cancellation notice.

3.04 The Union agrees to indemnify and save the Port harmless against any liability, which may arise by reasons of any action(s) taken by the Port to comply with the provisions of this Article. The Union agrees to refund to the Port any amounts paid to it in error upon presentation of proper evidence thereof.

#### **ARTICLE 4 - PAYROLL DEDUCTION**

Democrat, Republican, Independent Voter Education (DRIVE). Both the Port and Local 117 agree to reopen the contract on DRIVE if any other Local 117 bargaining group with the Port of Seattle negotiate contract language in their respective contract on this issue at any time during the term of this agreement.

#### **ARTICLE 5 – UNION REPRESENTATIVE ACCESS**

5.01 The Port agrees to allow reasonable access to Port facilities for union representatives who have been properly authorized by the Union. Such access shall be permitted in a manner as not to interfere with the functions of the Police Department (hereinafter referred to as the Department) or the Port. This Article shall apply within the constraints of federal or state regulations, statutes, and the Airport Security Plan.

5.02 New Employee Orientation. The Union, through a Union member, Shop Steward or Union Representative shall, at a mutually agreeable time with the Employer, have up to thirty (30) minutes during the Employer’s new hire orientation program to meet with the employee(s).

#### **ARTICLE 6 - BULLETIN BOARD**

A bulletin board found to be acceptable and in compliance with the needs of limited use by the Union shall be provided by the Port. This bulletin board shall be used, maintained, and controlled by the Union. It is understood and agreed to that no material shall be posted which is obscene, defamatory, or which would impair Port operations.

#### **ARTICLE 7 - EQUAL EMPLOYMENT OPPORTUNITY**

The Port of Seattle is an equal opportunity employer. The Port embraces, and in fact relies on having a diverse workforce. Every employee has the right to work in surroundings that are free from all forms of unlawful discrimination. The Port and the Union will not engage in, or tolerate, any discrimination in the workplace prohibited by local, state or federal law. Specifically, no employee will be discriminated against on the basis of their age, race, color, national origin/ancestry, religion, disability, Family Medical Leave Act (FMLA) use, pregnancy, sex/gender, sexual orientation, whistleblower status, marital status, military status, use of workers’ compensation, transgender status, political beliefs, or any other category protected by applicable federal, state or local law (“Protected Status”).

The Port and the Union are committed to promoting equity, diversity and inclusion in the workplace. The Port refers to equity as the fair treatment, access, opportunities, and advancement for all people while striving to identify and eliminate barriers that have prevented the full participation of historically oppressed communities.

## **ARTICLE 8 - MANAGEMENT RIGHTS**

8.01 The Union recognizes the prerogatives of the Port to operate and manage its affairs in all respects in accordance with its responsibilities and powers of authority.

8.02 The Port reserves any and all exclusive rights concerning the management and operation of the Department, except as specifically limited in this Agreement. In exercise of such exclusive management rights, it is not intended that any other provision of this Agreement providing a specific benefit or perquisite to employees shall be changed, modified, or otherwise affected, without concurrence of the Union.

8.03 Subject to the provisions of this Agreement, the Port reserves the following specific and exclusive management rights:

- (a) To recruit, assign, transfer, or promote members to positions within the Department, including the assignment of employees to specific jobs;
- (b) To suspend, demote, discharge, or take other disciplinary action against members for just cause;
- (c) To determine the keeping of records;
- (d) To establish employment qualifications for new employee applicants, to determine the job content and/or job duties of employees, and to execute the combination or consolidation of jobs;
- (e) To determine the mission, methods, processes, means, and personnel necessary for providing service and Department operations, including, but not limited to: determining the increase, diminution, or change of operations, in whole or in part, including the introduction of any and all new, improved, automated methods of equipment; and making facility changes;
- (f) To control the Departmental budget, and if deemed appropriate by the Port, to implement a reduction in force;
- (g) To schedule training, work, and overtime as required in a manner most advantageous to the Department and consistent with requirements of municipal employment and public safety, subject to the provisions of this Agreement;
- (h) To establish reasonable work rules, policies, and to modify training;

- (i) To approve all employee vacations and other leaves;
- (j) To take whatever actions are necessary in emergencies in order to assure the proper functioning of the Department; and
- (k) To manage and operate its Departments, except as may be limited by provisions of this Agreement.

8.04 It is understood by the Parties that every incidental duty connected with operations enumerated in job descriptions is not always specifically described.

**ARTICLE 9 - SENIORITY**

9.01 An employee's seniority date shall be the most recent date of hire in the bargaining unit. The employees shall be subject to a twelve (12) calendar month probationary period following such date of hire. The probationary period may be extended, by mutual agreement of the Port and the Union, if the probationary employee has been absent due to bona fide illness or other legitimate reason. Employees that are separated from employment before the completion of their twelve (12) month probationary period shall not be subject to recall rights as outlined in Section 9.02 of this Article.

A permanent employee promoted or who voluntarily transfer to a represented position within the Police Department that is outside the Police Specialist bargaining unit may choose to return to the Police Specialist unit if they fail to successfully pass the probationary period for the position. After receiving notice that they have not successfully passed probation, within five (5) business days the employee must notify the Administrative Division Manager of their intent to return to their prior position in the unit. Such employee will have their seniority in that classification restored to the same level accrued prior to leaving. An employee who is terminated for misconduct is not eligible to return to the Police Specialist bargaining unit under the terms of this Article.

9.02 Seniority shall prevail in the event of a layoff; thus, the last employee hired into the bargaining unit shall be the first laid off. Employees laid off in accordance with the provisions of this Article will be eligible for rehire in the inverse order of layoff for a period of one (1) year following layoff. Employees recalled pursuant to this provision retain their seniority based on their original date of hire into the bargaining unit, but no seniority or any benefits shall accumulate during the time that the employee was on layoff. However, employees that are separated from employment before the completion of their probationary period shall not be subject to recall rights as outlined in this Article.

9.03 In the event of an imminent reduction in force, written notice shall be provided to each employee scheduled for layoff at least fourteen (14) days prior to termination.

9.04 Seniority shall be a primary consideration when making job assignments. However, based on the skills and qualifications of the employee, management may require particular employees in specific job assignments.

9.05 Shift preference and vacation scheduling shall be done so that seniority is the primary consideration. Vacation scheduling and shift bidding shall be by Department Policy and Procedures.

9.06 Seniority shall only be broken in the event of retirement, voluntary quit, discharge for just cause, leave of absence exceeding six (6) weeks, or layoff exceeding one (1) year.

9.07 A seniority list shall be provided to the Union on request.

9.08 Should the need arise for a permanent reduction in force under this Agreement, the Port agrees to meet with the Union for the purpose of negotiating the effects of such decision.

#### **ARTICLE 10 - JURY DUTY/COURT APPEARANCES**

10.01 Jury Duty. When an employee is called for and serves on jury duty, that employee shall, during such service period, receive full regular compensation from the Port, Port compensation for jury duty only applies to absence from regularly scheduled work hours. If an employee is released from jury service prior to the end their scheduled work hours, the employee shall immediately call into work and report to duty or use vacation to cover remaining hours.

10.02 Subpoenaed Witness. For service as a subpoenaed witness on a Port-related case, that employee shall, during such service period, receive full regular compensation from the Port. Port compensation outside of regularly scheduled work hours is payable at the overtime rate if such service is in excess of the normal daily or normal weekly working hours' schedules. The employee may use accrued vacation leave for service as a subpoenaed witness on a non-Port-related case, as no regular compensation will be provided by the Port for such purposes.

10.03 Grievances or Arbitrations Excluded. This Article shall not apply to either grievances or arbitrations, which are defined in Article 24 of this Agreement.

#### **ARTICLE 11 - BEREAVEMENT LEAVE**

11.01 Employees who have been employed for thirty (30) or more days of uninterrupted service, and who have suffered the loss by death of a member of their immediate family, as defined in this Article, shall be eligible to receive up to forty (40) hours of leave per bereavement, at the discretion of the employee's supervisor, and under the supervision of the Chief of Police. Such leave shall not result in compensation for more than the number of hours in any normal work week.

11.02 “Immediate family” shall be defined as the spouse or domestic partner of the employee, and the following relatives of either the employee, spouse, or domestic partner: child, step-child, child’s spouse, grandchild, parent, step-parent, grandparent, sibling, sibling’s spouse, aunts and uncles. In special circumstances, the Chief and/or Human Resources may include other relatives in the definition for purposes of bereavement leave.

11.03 Individual circumstances, such as distance to the funeral and the extent of employee involvement with the arrangements for the deceased, shall be considered in determining the number of hours to be granted an employee.

11.04 Following use of bereavement leave, in case of death of an employee’s spouse, domestic partner (as defined under the Port’s Salary and Benefits Resolution), or child, an employee will have the option to use up to two (2) work weeks of their accrued sick leave.

## **ARTICLE 12 - HOURS OF WORK AND OVERTIME**

12.01 Designated Workweek. The normally scheduled workweek shall be comprised of forty (40) hours, defined by the Port as beginning at 12:01 a.m. on Sunday and ending at midnight on Saturday. Port payroll shall be on an eighty (80) hour biweekly basis

12.02 Hours of Duty. The normally scheduled workweek for members affected by this Agreement shall be five (5) consecutive days of eight (8) consecutive hours, with two (2) consecutive days off, with an unpaid period allowed for lunch. Such lunch period to be either one-half (½) hour or one (1) hour by employee’s option. Otherwise the basic work schedules and practices, including flex time, shall remain in effect except as mutually agreed between the Port and the Union.

At the Employer’s discretion and subject to operational needs, a workweek of four (4) consecutive days of ten (10) consecutive hours, with three consecutive days off, with an unpaid lunch period may also be offered to employees. Employees assigned to a four (4)/ten (10) work week can be reverted back to a five (5)/eights (8) work week by the Employer at any time with at least one week advance notice.

12.03 It is the intent of the Port to provide full-time work (i.e. forty (40) hours per week); however, this is not to be interpreted as a forty (40) hour guarantee. This language does not eliminate any existing obligation to bargain a change to an employee’s regular schedule.

12.04 Overtime Pay and Exceptions. All hours worked in excess of eight (8) or ten (10) hours per workday, or forty (40) hours per workweek, shall be paid at the rate of time and one-half (1½) the employee’s regular straight time rate of pay. All compensated hours shall apply to workdays and/or workweeks for the qualification of overtime; however, holiday cash-out pay, as specified in Article 14.02(b)(2), shall not count as hours worked or compensated for calculation of overtime thresholds. There shall be no compounding or "pyramiding" of overtime pay.

12.05

12.06 Wage Reduction. No employee who, prior to the date of this Agreement, was receiving more than the rate of wages designated in this Agreement, for the class of work in which they are engaged, shall suffer a reduction in the rate of wages because of the adoption and application of this contract.

12.07 Mealtime Disruption. In the event that an employee is called back to work from mealtime, and is not provided a meal period of reasonable duration later in their shift, such employee shall receive overtime pay for the remainder of the mealtime not taken. If any employee independently or without proper authorization elects not to take mealtime, such employee shall not receive overtime payment for the mealtime missed.

12.08 Notice of Shift Change. Except in emergencies, employees shall be provided with seven (7) days' advance notice in the event of shift change.

12.09 Approval for Overtime Work. Authority for approval of any overtime work shall be limited to Departmental management or its designees.

12.10 Call Back. In the event that overtime which has been specifically authorized by supervisory or command personnel is not an extension at the beginning or end of a normal shift, the employee shall be paid for a minimum of four (4) hours at the overtime rate for the employee's classification, or for the actual hours worked at the overtime rate if in excess of four (4) hours. When an employee is called at home and asked to perform a service directly related to their work activity, such employee will be compensated one (1) hour at the overtime rate of pay.

12.11 Pagers/Cellular Phones & Stand-By. Employees may be required by the Department to carry and monitor pagers/cellular phones while off-duty. If an employee is specifically directed by a supervisor to be available and on stand-by for a specific assignment, such employee shall be considered available for work within one (1) hour, and will be compensated at ten percent (10%) of their straight-time hourly rate for each hour so assigned.

12.12 Training. Notwithstanding Section 12.07, the normal workweek and normal workday for employees may be modified by management to accommodate training or educational requirements.

12.13 Daylight Savings Time. It is the intent of the Parties that employees working during Daylight Savings Time changes be paid only for actual hours worked. Employees who are working on night shift in the spring, when the clocks are moved forward one (1) hour (other than those who are scheduled to be off at 0200 hours), will be required to either: (a) utilize one (1) hour of paid vacation leave, or (b) to go unpaid for one (1) hour. Employees who are

working on night shift in the fall, when the clocks are moved back one (1) hour (other than those who are scheduled to be off at 0200 hours), will be paid one (1) hour at the overtime rate of pay.

### **ARTICLE 13 - VACATION**

Annual vacation with pay shall be granted to all employees on the following basis:

13.01 Scheduling of Vacation Leave. At any time after the successful completion of six (6) months of employment, regular permanent employees (any employee hired from a Port posting) may request and use vacation leave of up to the number of hours accrued at the time of the desired vacation date, subject to the approval of the Department Head. Seniority shall be considered in accordance with departmental procedures when scheduling vacations. Normally, requests for approval of vacation schedules shall be made to the Department Head on a vacation request form five (5) days or more in advance; more notice may be required by the Department Head when necessary to provide for proper scheduling of personnel. The Department Head or Management Designee will respond to the vacation request within two (2) working days after receipt of the request. It is the employee's responsibility to ensure that the request has been received by the Department Head or Management Designee.

13.02 Limits on Accumulating Vacation Leave. Effective upon ratification between the parties, vacation leave accumulation shall be limited to four hundred eighty (480) hours accrual at any time. Any portion above a four hundred eighty (480) hour accrual of unused vacation leave shall be forfeited, unless the reason for not taking such vacation leave is at management's direction, such as under emergency conditions. In such event, unused vacation leave shall not be forfeited. Employees shall be responsible for scheduling annual leave in order to avoid any forfeiture of vacation leave.

13.03 Rates of Accrual. Effective upon ratification between the parties, vacation accruals are based on the employee's date of hire with the Port. Based upon a pro rata share of a full-time work schedule calculated by an hourly accrual method, vacation leave is earned as follows:

- (a) 96 Hours Vacation. Based on the first day of employment, from the first (1<sup>st</sup>) full month, to and including the forty-second (42<sup>nd</sup>) full month of continuous employment, permanent employees shall accrue vacation leave at the rate of eight (8) hours per month of active employment, or the equivalent of up to ninety-six (96) hours per year (8 hours per month X 12 months = 96 hours per year).
- (b) 120 Hours Vacation. From the forty-third (43<sup>rd</sup>) full month, to and including the eighty-fourth (84<sup>th</sup>) full month of continuous employment, permanent employees shall accrue vacation leave at the rate of ten (10) hours per month of active employment, or the equivalent of up to one hundred twenty (120) hours per year (10 hours per month X 12 months = 120 hours per year).

- (c) 140 Hours Vacation. From the eighty-fifth (85<sup>th</sup>) full month to and including the one hundred thirty-second (132<sup>nd</sup>) full month of continuous employment, permanent employees shall accrue vacation leave at the rate of .06731 hours per straight time hour compensated ( $.06731 \times 2080$  annual hours = 140 vacation hours per year).
- (d) 160 Hours Vacation. From the one hundred thirty-third (133<sup>rd</sup>) full month, to and including the one hundred ninety-second (192<sup>nd</sup>) full month of continuous employment, permanent employees shall accrue vacation leave at the rate of thirteen and thirty-four hundredths (13.34) hours per month of active employment, or the equivalent of up to one hundred sixty (160) hours per year (13.34 hours per month  $\times$  12 months = 160 hours per year).
- (e) 168 Hours of Vacation. From the one hundred ninety-third (193<sup>rd</sup>) full month, to and including the two hundred twenty-eighth (228<sup>th</sup>) full month of continuous employment, permanent employees shall accrue vacation leave at the rate of fourteen (14) hours per month of active employment, or the equivalent of up to one hundred sixty-eight (168) hours per year (14 hours per month  $\times$  12 months = 168 hours per year).
- (f) 176 Hours Vacation. From the two hundred twenty-ninth (229<sup>th</sup>) full month, to and including the two hundred fortieth (240<sup>th</sup>) full month of continuous employment, permanent employees shall accrue vacation leave at the rate of fourteen and sixty seven hundredths (14.67) hours per year (14.67 hours per month  $\times$  12 months = 176 hours per year).
- (g) 184 Hours of Vacation. From the two hundred forty-first (241<sup>st</sup>) full month, to and including the two hundred fifty-second (252<sup>nd</sup>) full month of continuous employment, permanent employees shall accrue vacation leave at the rate of fifteen and thirty-four hundredths (15.34) hours per month of active employment, or the equivalent of up to one-hundred and eighty-four (184) hours per year (15.34 hours per month  $\times$  12 months = 184 hours per year).
- (h) 192 Hours Vacation. From the two hundred fifty-third (253<sup>rd</sup>) full month, to and including the two hundred sixty-fourth (264<sup>th</sup>) full month of continuous employment, permanent employees shall accrue vacation leave at the rate of sixteen (16) hours per month of active employment, or the equivalent of up to one-hundred and ninety-two (192) hours per year (16 hours per month  $\times$  12 months = 192 hours per year).
- (i) 200 Hours of Vacation. From the two hundred sixty-fifth (265<sup>th</sup>) full month, to and including all subsequent full months of continuous employment, permanent employees shall accrue vacation leave at the rate of sixteen and sixty-seven hundredths (16.67) hours per month of active employment, or the equivalent of up to two-hundred (200) hours per year (16.67 hours per month  $\times$  12 months = 200 hours per year).

13.04 Proration for Part-Time Employees. Vacation accrual shall be prorated for all employees who work less than a full-time schedule. When an employee goes from part-time to full-time status, the vacation eligibility date shall be adjusted based on the actual hours worked as a part-time employee.

13.05 Payment for Vacation Leave at Termination. An employee who has successfully completed their first six (6) months of continuous Port of Seattle employment will receive 100% of their accrued Paid Time Off balance at the employee's hourly rate at termination as a lump sum (all rights to insurance benefits, pension benefits (except for PERS1), and leave accruals during the period in which the PTO leave would have been used as vacation time are waived). Pension and benefit contributions associated with this lump sum payment shall be addressed in accordance with law

13.06 .

#### **ARTICLE 14 - HOLIDAYS**

14.01 Effective at the signing of this Agreement, thirteen (13) paid holidays shall be recognized and observed, as follows:

New Year's Day	January 1 <sup>st</sup>
Martin Luther King's Birthday	Third Monday in January
Presidents' Day	Third Monday in February
Memorial Day	Last Monday in May
Juneteenth	June 19 <sup>th</sup>
Independence Day	July 4 <sup>th</sup>
Labor Day	First Monday in September
Thanksgiving Day	Fourth Thursday in November
Day After Thanksgiving	Fourth Friday in November
Christmas Day	December 25 <sup>th</sup>
One (1) "Floating" Holiday	Designated by Port each year
Two (2) "Floating" Holidays	Designated by employee each year, with approval of the Department Head

Any date commonly observed, as designated by State, national authority, or the Port of Seattle may be observed as a holiday and paid for as such in lieu of the date designated above for the paid holidays listed.

14.02 Holiday pay shall be one (1) day's pay at the straight-time rate, based on the employee's normal work schedule, and will not exceed one (1) regular workday; provided, holiday pay is subject to the following conditions:

- (a) If Department management determines that it is possible to schedule an employee for a day off from the normal work schedule when a designated holiday occurs, such employee shall be required to take that holiday off.

- (b) When the holiday falls on the employee's normal day off, the employee may choose from one of two options:
  - (1) The employee may elect to schedule any other day within the pay period as a day off on holiday pay; or
  - (2) The employee may elect not to take another day off, and instead, cash-out one (1) day's holiday pay at the straight time hourly rate. Selecting this option does not constitute hours worked or compensated for purposes of calculating overtime.

Pension and benefit contributions associated with this cash out of holiday hours will be addressed in accordance with law.
- (c) Subject to (a) above, if the employee is required to work on the designated holiday, the employee may not elect to take another day off. Such employee shall receive one (1) day's holiday pay at the straight-time hourly rate, in addition to pay at the overtime rate for all hours worked on the designated holiday.

14.03 Holiday pay shall be prorated for all employees who work less than a full-time schedule. If an employee is on leave without pay the day before and the day after a holiday, the employee's eligibility for holiday pay will be pro-rated based on the hours paid in the prior sixty (60) calendar days.

14.04 Any employee hired into the bargaining unit after June 30<sup>th</sup> is eligible for one floating holiday designated by the employee for that calendar year.

## **ARTICLE 15 - REQUESTED BENEFITS**

The Port agrees to provide the following benefits requested by the Union:

- (a) Unemployment compensation benefits under the Washington State Employment Security Act.
- (b) Social security insurance (FICA) as covered by the Federal Insurance Contribution Act. (Contingent on retention of the program for all Port employees.)
- (c) For the life of this Contract employee parking shall be provided at no cost to the employee at places designated by the Port. Additionally, vacation parking shall be provided at no cost to employees on the same basis as provided to non-represented employees as long as such benefit is provided. Employees pay may be subject to withholdings for tax purposes if the value of commuter benefits exceeds the IRS limit.

- (d) Locker and lunch facilities.
- (e) Washington State Self-Insured Workers' Compensation.
- (f) Educational assistance for employees shall be subject to approval of the Department Head. It is agreed that if funds are not available from other sources, such as special Federal or State programs, with the advance approval of the Department Head, the Port shall provide reimbursement limited to job related educational curricula.
  - (1) Such educational assistance shall be linked to a detailed Letter of Commitment, provided to the Department by the employee that captures the employee's study and career goals.
  - (2) The employee should normally expect to provide a minimum of two (2) years of service to the Port upon completion of study toward a college degree. This is not a repayment provision.
- (g) Deferred Compensation. As provided below in this paragraph, employees shall be eligible for participation in the Port of Seattle's Deferred Compensation Plan. Eligibility and participation of employees shall be subject to the terms and conditions of such plan including any plan amendments, revisions, or possible cancellation. It is further agreed that content of the plan itself, plan administration, and any determinations made under the plan shall not be subject to the Grievance Procedure (Article 24) or to any other provisions of this Labor Agreement or to negotiation by the Union.
- (h) Long-Term Disability Insurance. Eligible employees shall be covered for long-term disability insurance in such amounts and in such manner as the Port has established with insurance companies or agencies providing such benefits.
- (i) Life Insurance. Effective the first (1<sup>st</sup>) of the month following date of hire, eligible employees shall receive life insurance benefits in the amount of two (2) times their annual base rate rounded up to the next one hundred dollars (\$100.00). Eligible dependents shall receive life insurance benefits in such amount and in such manner as are provided in contracts by the Port to provide such benefits. Employees shall also be covered by the AD&D policy provided by the Port.
- (j) Supplemental Life Insurance. The Union may establish supplemental insurance programs for the employees under this Agreement. All of the premiums for such plans, if established, shall be paid for by the employees covered. If the Port is to process payroll deductions from employees to pay the insurance carrier on the employees' behalf, the Plan shall be subject to approval by the Port in regard to the responsibility of ongoing administration and related details.

- (k) Travel, Mileage, and Expenses Reimbursement. The Parties recognize federal and state audit requirements, and hereby agree to comply with the Port's accounting and procurement policies relating to, among other things, reimbursement for work-related mileage, reasonable out-of-pocket expenses, proof of expenditures, reporting and audit requirements, travel authorizations, and use of a Port credit card. Employees who use their personal vehicles for Port business will be reimbursed, provided such use is required and authorized by Department management. Such travel shall be reimbursed in accordance with the mileage reimbursement schedule as approved by the Port Commission for Port employees. However, at no time shall the amount be less than the IRS approved mileage rate. Requests for mileage reimbursement must be submitted according to Port policy.
  
- (l) Paid Parental Leave. The Port shall continue to provide Paid Parental Leave to members of this bargaining unit. Eligibility, participation, and terms of the Paid Parental Leave shall be as provided to non-represented employees as outlined in Port Policy HR-5. The Port may change or modify its Paid Parental Leave policy and/or procedure. If the Port desires a change/modification, the Port agrees to provide the Union with advanced notice of any change.
  
- (m) COMMUTER BENEFITS

Employees in the bargaining unit shall be eligible for the following benefits:

The One Regional Card for All ("ORCA Card") Program:

The Port offers ORCA cards to eligible employees at a substantially reduced cost for transportation on multiple regional transit systems. Employees who participate in the ORCA card program may also be eligible for additional subsidized transportation services. The availability of the ORCA program, annual cost, potential tax consequences for employees, and other provisions are subject to change based on guidelines provided by agencies with whom the Port contracts for the ORCA program benefits, IRS requirements, as well as the Port's discretion.

Ferry Reimbursement:

Employees who use the Washington State Ferry System for all or part of their work commute are eligible for reimbursement of ferry commuting costs up to a monthly maximum. This monthly maximum reimbursement amount is determined by the Port. Amounts and procedures can be found on the Total Rewards Compass Page and may be subject to tax.

The Port shall maintain full discretion to modify, change, amend, and/or discontinue either and/or both the ORCA program and the Ferry Reimbursement benefit.

Prior to modifying, changing, amending, and/or discontinuing either and/or both the ORCA program and the Ferry Reimbursement benefit, the Port agrees to provide advanced notice to the Union.

## **ARTICLE 16 - LEAVE WITHOUT PAY**

16.01 After one (1) year of service, an employee shall be eligible for a leave of absence without pay not to exceed six (6) weeks. Requests for such leaves shall be submitted in writing to the Department Head for approval thirty (30) days in advance of the leave time period. In emergency situations, the notification may be waived at the option of the Department Head.

16.02 Leave approval considerations shall include:

- (a) The purpose and length of requested leave;
- (b) The employee's length of service;
- (c) The effect of such an extended absence on departmental operational efficiency;
- (d) Employee past performance and attendance; and
- (e) In establishing the priority for such leaves, mutual benefit to the Port shall also be a consideration. For example, leaves of absence for educational purposes shall receive greater priority than leaves for the purpose of travel.

16.03 In the event of special conditions, such as family emergencies or educational programs, leaves of absence may be extended beyond six (6) weeks, but shall not exceed one (1) year, at the discretion and approval of the Chief and/or Port's Executive Department. An employee shall suffer no loss of seniority for time spent on approved leave of absence of six (6) weeks or less, in accordance with Article 9 of this Agreement.

16.04 Under normal conditions, leaves of absence shall not be granted for the purpose of seeking or engaging in other employment. Any exception to this provision shall be at the sole discretion of the Department Head.

## **ARTICLE 17 - SICK LEAVE**

17.01 Sick Leave Accrual. Employees shall accrue sick leave at the rate of 0.04616 per straight-time hour compensated, but not to exceed the equivalent of ninety-six (96) hours per year ( $0.04616 \times 2080 \text{ hours} = 96 \text{ hours}$ ). On a pro rata basis of a full-time work schedule, sick leave accruals will be posted on the first payday of the month for any sick leave earned during the prior month.

17.02 Pay Rate. Sick leave pay shall be at the straight-time hourly rate.

17.03 Eligibility. Sick leave will be used only in instances of bona fide employee, immediate family, or others' (as required by law) illness, injury or disability resulting in absence from work as normally scheduled and as provided by law.

17.04 Payoff. Unused sick leave may not be converted to cash payment, except that upon termination or retirement after five (5) years of continuous service, qualified employees shall be compensated for fifty percent (50%) of their unused sick leave (within the four hundred eighty [480] hour limit) at the rate of pay at termination. Pension and benefit contributions associated with this lump sum payment shall be addressed in accordance

17.05 Appointments. Regular full-time employees who are scheduled to work a minimum of forty (40) hours per week may be granted brief periods of paid time off for medical, dental, or other personal business appointments (such as appointments with attorneys) which could not be arranged during non-working hours. The Department Director may authorize up to twelve (12) hours per year of paid leave. Time shall be taken in no less than one half (1/2) hour increments.

17.06 Abuse of Sick Leave. Both Parties are committed to work to minimize or eliminate any abuse of sick leave.

17.07 Family Medical Leave. Family leave will be administered in accordance with current Federal and State laws, and applicable Port policies.

The Port shall comply with the requirements of the Washington Paid Family and Medical Leave Act and shall have full discretion on meeting those requirements (e.g. Voluntary Plan), which shall not be subject to the grievance procedure or to any other provision of this Agreement or to negotiation by the Union. However, the Port agrees to provide to the Union advanced notice of how the Port intends to comply, and when and if there are any changes.

Effective upon ratification between the parties and the execution of the agreement, the Port will pay the employee portion of the premium associated with this provision.

17.08 Washington Paid Sick Leave Law. The Port will identify the portion of accrued sick leave that is available for use according to the minimum requirements of the Washington Paid Sick Leave Law on each employee's paycheck (e.g., one (1) hour of accrued sick leave for each forty (40) hours worked by eligible employees). This is not an additional accrual amount. It is a designation of a portion of current accrual amounts. Employees shall be entitled to carryover no more than forty (40) hours of Washington Paid Sick Leave into the following year, provided that any amount over the maximum will be maintained as general sick leave available for use under the terms of this Agreement.

17.09 Shared Leave. The Parties agree to adopt a Shared Leave Program under the terms and conditions set forth in applicable Port policies covering shared leave of salaried employees.

- (a) Purpose. The Shared Leave Program enables employees to donate accrued sick leave to fellow employees who are faced with taking leave without pay or termination due to extraordinary or severe physical or mental illnesses. Implementation of the program for any individual employee is subject to agreement by the Port, and the availability of shared leave from other employees. The Port's decisions in implementing and administering the shared leave program shall be reasonable.
- (b) Participation. Participation in the Shared Leave Program is voluntary. No employee shall be coerced, threatened, intimidated or financially induced into donating accrued leave for purposes of this program.

**ARTICLE 18 - HEALTH AND WELFARE PROGRAMS**

18.01 Effective July 1, 2025 (June 2024 hours), and each payroll calendar month thereafter during the period this Agreement is in effect, the Employer agrees to pay to the Washington Teamsters Welfare Trust c/o NORTHWEST ADMINISTRATORS, INC. for each employee who received compensation for eighty (80) hours or more in the previous Port payroll calendar month the following:

- a. Health and Welfare - Contribute the sum of \$ 1,724.90 per month for continued benefits under "PLAN A" as described below:

Medical "Plan A" (Including Domestic Partner Coverage)	\$1,695.50
Nine (9) Month Additional Waiver	\$ 11.40
Time Loss "Plan A" (\$400/week)	<u>\$ 18.00</u>
<b>Total</b>	<b>\$1,724.90</b>

- b. Dental - Contribute the sum of \$122.70 per month for continued benefits under "PLAN A" (including Domestic Partner Dental Coverage).
- c. Vision - Contribute the sum of \$17.30 per month for continued benefits under the "EXTENDED BENEFITS" (including Domestic Partner Vision Coverage)

Effective July 1, 2021, each employee shall contribute \$125.00 per month toward the monthly premium costs in Article 18.01.

Effective July 1, 2024, each employee shall contribute \$150.00 per month toward the monthly premium costs in Article 18.01.

Effective **May 1, 2028**, each employee shall contribute \$160.00 per month toward the monthly premium costs in Article 18.01.

The Port will continue to cover at 100% employee Dental and Vision benefits during the life of the Agreement.

The Union will assist the Port in acquiring information from the medical benefit trust to insure that the Port is in compliance with the Affordable Care Act.

At any time during the term of this Agreement, if the benefits provided by Washington Teamsters Welfare Trust become subject to an excise penalty, the parties agree to meet and discuss the impact.

18.02 Maintenance of Plans. The Trustees may modify benefits or eligibility of any plan for the purposes of cost containment, cost management, or changes in medical technology and treatment. If increases are necessary to maintain the current benefits or eligibility, or benefits or eligibility as may be modified by the Trustees during the life of this Agreement, the Port shall pay such premium increases as determined by the Trustees.

18.03 The Port agrees to provide and maintain Group Health or Alternative HMO's as provided in Trust as a covered plan for employees and their dependents.

18.04 Retirees' Health & Welfare.

Effective July 1, 2022, members of the bargaining group will be eligible to enroll in the Teamsters Retiree Welfare Trust Plus XL plan. The Port shall contribute fifty dollars (\$50) per month for the term of the agreement toward the monthly premium of each member enrolled in the Teamsters Retiree Welfare Trust Plus XL plan. The balance of the monthly premium rate will be paid by members of the bargaining group through monthly payroll deduction. The Port will be absolved from any liability associated with this Teamsters Retiree Welfare Trust plan.

## **ARTICLE 19 - PENSIONS**

The Port shall continue coverage for employees covered by this Agreement under the Washington State Public Employees Retirement System.

Pacific Coast Benefits Plan. The Port agrees to contribute to the Pacific Coast Benefits Plan, on account of each of its employees who perform the work covered by this Agreement, for every hour for which compensation was paid, as follows:

Effective July 1, 2021, the Port's contribution to the Pacific Coast Benefit Trust for each employee will increase to one dollar and forty cents (\$1.40) per hour compensated.

Effective July 1, 2024, the Port's contribution to the Pacific Coast Benefit Trust for each employee will increase to one dollar and fifty cents (\$1.50) per hour compensated.

## **ARTICLE 20 - PERFORMANCE OF DUTY, STRIKES, AND LOCKOUTS**

20.01 Nothing in this Agreement shall be construed to give an employee the right to strike, and no employee shall strike or refuse to perform assigned duties to the best of their ability. The Union agrees that it will not condone or cause any strike, slowdown, mass sick

call, or any other form of work stoppage or interference with the normal operation of the Police Department or of the Port.

20.02 The Port agrees that there shall be no lockouts.

20.03 The conditions stated in Sections 20.01 and 20.02 of this Article shall remain in effect with or without a signed Collective Bargaining Agreement.

20.04 If a party is alleged to have violated this Article, the Parties agree to submit the alleged violation of this Article to expedited binding arbitration.

### **ARTICLE 21 - SAVINGS CLAUSE**

If any Article of this Agreement or any Appendix hereto should be held invalid by operation of law or by any tribunal of competent jurisdiction, or if compliance with or enforcement of any Article or Appendix should be restrained by such tribunal, the remainder of this Agreement and Appendices shall not be affected thereby, and the Parties shall enter into immediate collective bargaining negotiations for the purpose of arriving at a mutually satisfactory replacement of such Article.

### **ARTICLE 22 - ENTIRE AGREEMENT**

22.01 The Agreement expressed herein in writing constitutes the entire agreement between the Parties and no oral statement shall add to or supersede any of its provisions.

22.02 The Parties acknowledge that each has had the unlimited right and opportunity to make demands and proposals with respect to any matter deemed a proper subject for collective bargaining. The results of the exercise of that right are set forth in this Agreement.

### **ARTICLE 23 - APPENDICES INCORPORATED INTO AGREEMENT**

Pay Rates (Appendix A) and Drug Testing (Appendix B) are conditions agreed to and are hereby incorporated into the Agreement by this Article.

### **ARTICLE 24 - GRIEVANCE PROCEDURE**

24.01 Grievance Defined. Any dispute regarding the interpretation or application of this Agreement shall be regarded as a grievance and shall be subject to the terms of this grievance procedure.

24.02 Discipline. The Parties agree that discipline is a command function. Decisions on disciplinary matters where discipline imposed involves a discharge, suspension, demotion, or written reprimand shall be subject to the grievance procedure; however written reprimands may not be pursued to arbitration. Oral admonishments, verbal warnings, counseling, performance evaluations, and remedial training shall not be subject to the grievance procedure.

24.03 Time Limits. All grievances shall be presented within twenty (20) days of the occurrence or the date the employee actually knew or reasonably should have known of the occurrence, whichever is later. This time limit and the other time limits set forth in this Article may be extended by mutual agreement of the Employer and the Union. All references to time in this Article shall be to calendar days.

24.04 Election of Forum. An employee electing to pursue a matter through the Civil Service System may not also pursue to arbitration a grievance through the grievance procedure. Any complaint that a matter constitutes a violation of Article 7 of this Agreement may not be pursued to grievance arbitration if the matter has been challenged in any other administrative or judicial forum.

24.05 Informal Resolution. The Parties acknowledge that every effort should be made by the employee(s) and the supervisor(s) to resolve issues prior to initiating grievance procedures.

24.06 Employer Grievances. Port grievances will be initiated at Step 2.

24.07 Waiver of Steps. By mutual agreement, the parties may agree to waive any step in the grievance procedure.

24.08 Grievance Procedure.

### STEP 1

The affected employee shall present the grievance in writing to the Administrative Division Manager. A Shop Steward or Business Representative may present the grievance on the employee's behalf. Either party may request to convene a meeting to discuss the grievance within ten (10) days of the filing of the grievance. If the parties are unable to arrive at a satisfactory settlement, the Administrative Division Manager (or designee) will issue a written response to the employee, with a copy to the Union's Business Representative and, if requested by the grievant, the Shop Steward. The response shall be issued no later than ten (10) days after the date the grievance was initially filed or the date of the grievance meeting, if a grievance meeting occurred. The Union may refer the grievance to Step 2 within ten (10) days of receipt of the Administrative Division Manager's response, or the date the response was due.

### STEP 2

Initiation of Step 2. The Union's Business Representative shall present the grievance in writing to the Chief of Police (or designee) or the Port will present the grievance in writing to the Union's Business Representative. The written grievance shall contain a statement of the relevant facts, the section(s) of the Agreement allegedly violated, and the remedy that is sought.

Class Grievances. With respect to issues affecting more than one bargaining unit employee, the Union may elect to file a grievance at Step 2 without the need for the individual employee(s)

to file the grievance at Step 1. The twenty (20) day time limit referenced in Section 24.03, as well as the other requirements of this Article, shall be applicable to such filing.

Step 2 Meeting. Within fourteen (14) days after the initiation of Step 2, the Union’s Business Representative and the Chief of Police (or designee) shall meet to discuss possible resolution of the grievance. If the Parties are unable to arrive at a satisfactory settlement, the responding party will issue a written response to the grieving party within ten (10) days of the meeting. The grieving party may refer the grievance to Step 3 within ten (10) days of receipt of the response or the date the response was due.

### **STEP 3**

Initiation of Step 3. The Union shall notify the Chief of Police and the Port’s Labor Relations Representative or the Port shall notify the Union’s Business Representative, in writing, of its desire to move the matter to a Board of Adjustment.

Board of Adjustment. The Parties shall schedule a Board of Adjustment hearing which shall be heard no later than twenty (20) days after the initiation of Step 3. The purpose of the hearing is to evaluate all known facts relating to the grievance in order to determine an appropriate resolution. The Port’s Labor Relations Representative, the Chief of Police (or designee), and two (2) Union Representatives shall be present, and both sides shall have an opportunity to present all information that they have relating to the grievance. If a resolution is reached, the Parties will document the agreement in writing. If the Parties are unable to arrive at a settlement, the grieving party may refer the matter to Step 4 within ten (10) days following the Board of Adjustment hearing.

### **STEP 4 – ARBITRATION**

Initiation of Step 4. The grieving party may initiate Step 4 by filing a written request with the other party, specifying the issue to be arbitrated.

Selecting an Arbitrator. The Port and the Union mutually agree that either Party to this Agreement may apply to the Federal Mediation and Conciliation Service (FMCS) for a list of seven (7) persons who are qualified and available to serve as arbitrators for the dispute involved. The Parties agree to equally split any costs associated with obtaining a list of arbitrators from FMCS. Within ten (10) days of receipt of the FMCS list, the Parties will jointly select an arbitrator from the list by alternately striking one (1) arbitrator on the list until the final remaining arbitrator is selected as the arbitrator for the particular hearing. The Parties shall determine first initiative through a coin flip.

In the event that FMCS is unresponsive to the parties’ request for a panel of arbitrators, the parties may, by mutual agreement, request the services of another Agency that maintains a roster of labor arbitrators or mutually agreed upon proposed individual arbitrators.

The Hearing. The hearing on the grievance shall be informal and the rules of evidence shall not apply. The arbitrator shall not have the power to add to, subtract from, or modify the provisions of this Agreement in arriving at a decision of the issue or issues presented; and shall confine their decision solely to the interpretation, application, or enforcement of this Agreement. The arbitrator shall confine themselves to the precise issue(s) submitted to them for arbitration, and shall not have the authority to determine any other issue(s) not so submitted to them. The decision of the arbitrator shall be final and binding upon the aggrieved employee, the Union, and the Port. The fees and expenses of the arbitrator shall be equally split between the Parties; otherwise, each Party shall pay its own fees, expenses, and costs, including attorney fees, witness compensation, and transcript requests.

## **ARTICLE 25 - CONFERENCE BOARD**

25.01 The Conference Board is intended to serve as a communication support and perform like a Business Partnership Committee.

25.02 There shall be a Department Conference Board consisting of up to three (3) employees named by the Union (one of whom may be the Business Representative) and up to three (3) representatives from Management (one of whom may be a representative from Labor Relations). The Chief of Police, or their representative(s), shall be present to the maximum extent practicable, but any of the up to six (6) members may be replaced with an alternate from time to time. It is also agreed that either Party may add additional members to its conference board committee whenever deemed appropriate. The Conference Board shall only consist of members of the bargaining unit and Department(s) affected by the issue(s) being discussed.

25.03 The Conference Board shall meet at the request of the Union or the Port and shall consider and discuss matters of mutual concern pertaining to the improvement of the Department and the safety and welfare of the employees. These matters may include issues of development, committee membership, special team/unit assignments, testing, et cetera.

25.04 The purpose of the Conference Board is to deal with matters of general concern to members of the Department as opposed to individual complaints of employees; provided, however, it is understood that the Conference Board shall function in a communications and consultative capacity to the Chief of Police. Accordingly, the Conference Board will not discuss grievances properly the subject of the grievance procedure, except to the extent that such discussion may be useful in suggesting improved Departmental policies. Either the Union representatives or the Port representatives may initiate discussion of any subject of a general nature affecting the operations of the Department or its employees.

25.05 An agenda describing the issue(s) to be discussed shall be prepared by the initiating party and distributed at least three (3) days in advance of each meeting, and minutes may be kept and made available to members. Nothing in this Section shall be construed to limit, restrict, or reduce the management prerogatives outlined in this Agreement.

25.06 The Conference Board shall provide an answer to those issues/questions brought before it within a mutually agreed upon time.

**ARTICLE 26 – PERSONNEL FILE - PUBLIC RECORDS REQUEST**

The Port will comply with RCW 42.56.250 (12) when information contained in a member of the bargaining unit’s personnel file is subject to a public records request.

**ARTICLE 27 - TERMS OF THE AGREEMENT**

This Agreement shall remain in full force and effect from July 1, 2025, through and including June 30, 2028. All conditions shall be effective on the date the Agreement is signed or as otherwise identified in this Agreement. The Agreement may be opened by either party giving notice, in writing, not later than sixty (60) days prior to the expiration date.

**PORT OF SEATTLE**

**TEAMSTERS LOCAL UNION  
NO. 117/IBT**

\_\_\_\_\_  
**STEPHEN P. METRUCK**  
Executive Director

\_\_\_\_\_  
**JOHN SCEARCY**  
Secretary-Treasurer

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**APPENDIX A**

**PAY RATES**

**I. BASE WAGES**

The parties recognize that they have historically based the annual cost of living increases on one hundred percent (100%) of the Seattle/Tacoma/Bellevue CPI-U (All Urban Consumers), October-October, with a zero percent (0%) minimum and a six percent (6%) maximum. Notwithstanding that past practice, the parties agree to the following wage increases for their 2025 to 2028 CBA.

Effective July 1, 2025, pay rates will be adjusted to reflect a 4.0% wage increase.

<u>Classification</u>	<u>Service Time</u>	<b>Effective July 1, 2025</b> <u>Base Hourly Rate</u>
Police Specialist	Entry	\$ 37.06
	12 Months	\$ 38.91
	24 Months	\$ 40.85
	36 Months	\$ 42.90
	48 Months	\$ 45.04

Effective July 1, 2026, pay rates will be adjusted to reflect a 3.0% wage increase.

Effective July 1, 2027, pay rates will be adjusted to reflect a 3.0% wage increase.

**II. LONGEVITY PAY**

Base pay for the Police Specialist classification shall be increased by the following longevity premium schedule based upon date of hire.

- A. 2% Longevity Premium. From the start of the sixty-first (61<sup>st</sup>) full month to and including the one hundred eighth (120<sup>th</sup>) full month of continuous employment, permanent employees shall be paid a longevity premium of two percent (2%).
- B. 3% Longevity Premium. From the start of the one hundred twenty-first (121<sup>st</sup>) full month to and including the one hundred eightieth (180<sup>th</sup>) full month of continuous employment, permanent employees shall be paid a longevity premium of three percent (3%).
- C. 4% Longevity Premium. From the start of the one hundred eighty-first (181<sup>st</sup>) full month to and including the two hundred fortieth (240<sup>th</sup>) full month of continuous employment, permanent employees shall be paid a longevity premium of four percent (4%).
- D. 5% Longevity Premium. From the start of the two hundred forty-first (241<sup>st</sup>) full month to and including the three hundredth (300<sup>th</sup>) full month of continuous employment, permanent employees shall be paid a longevity premium of five percent (5%).
- E. 6% Longevity Premium. From the start of the three hundred first (301<sup>st</sup>) full month and beyond of continuous employment, permanent employees shall be paid a longevity premium of six percent (6%).

### III. DIFFERENTIALS AND OTHER PAY CONSIDERATIONS

- A.
- B. Educational Incentive. Base pay for Police Specialists who have successfully completed the probationary period shall be increased by the following educational incentive schedule.

2%	Associate of Arts Degree
4%	Bachelor's Degree
- C. Overtime Rate. Overtime shall be paid at one and one-half (1½) times the rate of pay for the work performed. There shall be no compounding or "pyramiding" of overtime pay. "Hours of Work and Overtime" are covered in Article 12 (See also Article 14, "Holidays").
- D. Severance. Should the need arise for a permanent reduction in force in a classification covered by this Agreement the Port agrees to meet with the Union for the purpose of negotiating the effects of such decision. Such impact negotiations will include severance payments, if any, and timing and notice period for said reduction.

- E. Payroll. As a condition of continued employment, all employees are required to participate in the Port's direct deposit program for payroll purposes.

All employees covered by this Agreement will receive bi-weekly pay. In no case shall the Port hold back more than fourteen (14) days' pay. No deductions shall be made from pay checks without the written consent of the employee, except as provided by federal, state, or municipal law. The Port agrees that if there is a payroll error resulting in an employee being owed one hundred dollars (\$100.00) or greater in gross straight-time pay, the Port shall make payment to the employee in the form of a separate check given to the employee within two (2) regular work days. If there is a payroll error resulting in an employee being owed less than one hundred dollars (\$100.00) in gross straight-time pay, or if there is a payroll error resulting in an employee being owed any amount of overtime, the Port will include the pay correction on the employee's next regular paycheck.

**IV. LATERAL ENTRY EMPLOYEES**

At the Port’s discretion, lateral entry employees may receive compensation based on the relationship between their verifiable years of experience providing administrative, professional, and office support of a Police Department or other comparable public employer, i.e., processing departmental payroll, budget, grant management, responding to public disclosure requests, utilizing the “TENURE SINCE DATE OF HIRE” column of Appendix A (A1) of the current Collective Bargaining Agreement. No lateral shall enter at a rate higher than the 36th month step of the pay scale. New employees and/or laterals that are granted the higher pay will stay at the entry level rate until they pass probation, at which point they will advance to the higher pay granted upon hire.

**APPENDIX B  
DRUG TESTING  
SUBSTANCE TESTS**

**PREAMBLE**

While abuse of alcohol and drugs among our members is the exception rather than the rule, the Teamsters Local 117 Police Clerical Employee's Negotiating Committee shares the concern expressed by many over the growth of substance abuse in American society.

The drug testing procedure, agreed to by labor/management, incorporates state-of-the-art employee protections during specimen collection and laboratory testing to protect the innocent.

In order to eliminate the safety risks which result from alcohol or drugs, the parties have agreed to the following procedures.

As referred to herein, testing shall be applicable to all entry level probationary employees and to any other employee for whom the Port has a reasonable suspicion that the employee is working while under the influence of alcohol or drugs.

- A. Illicit substance or drug abuse by members of the Department is unacceptable and censurable conduct worthy of strong administrative action.
- B. Preconditions to Drug Testing. Before an employee may be tested for drugs or alcohol based upon reasonable suspicion, the Port must meet the following prerequisites:
  - 1. The Port shall inform employees in the bargaining unit what drugs or substances are prohibited.
  - 2. The Port shall provide in-service training containing an educational program aimed at heightening the awareness of drug and alcohol related problems.
  - 3. The Port and the Union shall jointly select the laboratory or laboratories which will perform the testing.
  - 4. Lieutenants or higher ranked officers or managers shall be the department representative to authorize or approve a drug/alcohol test.
  - 5. The Lieutenant or higher ranked officer or manager authorizing or approving a drug or alcohol test under this Appendix B shall provide a written report to the Chief of Police, if the employee is not part of the Police Department, and to the employee. If requested, that documents the basis for ordering the test under the reasonable suspicion standard. The report shall be completed no later than the end of the shift on which the test was ordered.
  - 6. The Port shall not use the drug testing program to harass any employee.

- C. The Department shall also have the discretion to order any entry level probationary employee to submit to a blood, breath, or urine test for the purposes of determining the presence of a narcotic, drug, or alcohol a minimum of two (2) times during such employee's entry level probationary period. These tests will be conducted in the following manner:
1. Tests will be administered to each entry level probationary employee a minimum of two (2) times, at various intervals, during the probationary period.
  2. Entry level probationary employees shall only be tested while on duty.
  3. The providing of a urine sample will be done in private.
  4. Obtaining of urine samples shall be conducted in a professional and dignified manner.
  5. A portion of urine samples shall be preserved to permit the following:
    - a. Positive samples shall be tested by a GC/MS test.
    - b. A third test for positive samples shall be conducted if requested by the employee, at Port expense, by a reputable laboratory of mutual choice.

The exercise of this discretion by the Department shall be deemed a term and condition of such employee's period of entry level probation, and need not be supported by any showing of cause.

If any employee is ordered to submit to these tests involuntarily, the evidence obtained shall be used for administrative purposes only.

- D. Testing Mechanisms. The following testing mechanisms shall be used for any drug or alcohol tests performed pursuant to the testing procedure:
1. It is recognized that the Employer has the right to request the laboratory personnel administering a urine test to take such steps as checking the color and temperature of the urine samples to detect tampering or substitution, provided that the employee's right of privacy is guaranteed, and in no circumstances may observation take place while the employee is producing the urine sample. If it is established that the employee's specimen has been intentionally tampered with or substituted by the employee, the employee is subject to discipline as if the sample tested positive. In order to deter adulteration of the urine sample during the collection process, physiologic determinations such as creatinine and/or chloride measurements may be performed by the laboratory.

2. The parties recognize that the key to chain of possession integrity is the immediate labeling and initialing of the sample in the presence of the tested employee. If each container is received at the laboratory in an undamaged condition with properly sealed, labeled and initialed specimens, as certified by the laboratory, the Employer may take disciplinary action based upon properly obtained laboratory results.
3. Any screening test shall be performed using the enzyme immunoassay, (EMIT) method.
4. Any positive results on the initial screening test shall be confirmed through the use of the high-performance thin-layer chromatography (HPTLC), gas chromatography (GC) and gas chromatography/mass spectrometry (GC/MS). If at any time there exists a test with a higher rate of reliability than the GC/MS test, and if such test is reasonably accessible at a reasonable cost, such test shall be used in place of the GC/MS test if requested by the Union.
5. All samples which test negative on either the initial test or the GC/MS confirmation test shall be reported only as negative. Only samples which test positive on both the initial test and the GC/MS confirmation test shall be reported as positive.
6. In reporting a positive test result, the laboratory shall state the specific substance(s) for which the test is positive and shall provide the quantitative results of both the screening and the GC/MS confirmation tests, in terms of nanograms per milliliter. All positive test results must be reviewed by the certifying scientist or laboratory director and certified as accurate.
7. Employees tested for alcohol shall be subject to the collection of a breath sample(s), conducted as defined in E (9), to determine if current consumption of alcohol is present.

E. Procedures to be used when the sample is given. The following procedures shall be used whenever an employee is requested to give a blood or urine sample. Normally, the sample will be taken at the laboratory. If taken at another location, transportation procedures as identified shall be followed. All sample taking will be done under laboratory conditions and standards as provided by the selected laboratory:

1. Prior to testing, or if incapacitated as soon as possible afterwards, the employee will be required to list all drugs currently being used by the employee on a form to be supplied by the Port. The Employer may require the employee to provide evidence that a prescription medication has been lawfully prescribed by a physician. If an employee is taking a prescription or non-prescription medication in the appropriate described manner and has noted such use, as provided above, they will not be disciplined. Medications prescribed for another individual, not the employee, shall be considered to be illegally used and subject the employee to discipline.

2. When a blood test is required, the blood sample shall be taken promptly with as little delay as possible. Immediately after the samples are drawn, the individual test tubes shall, in the presence of the employee, be sealed, labeled and then initialed by the employee. The employee has an obligation to identify each sample and initial same. If the sample is taken at a location other than the testing laboratory, it shall be placed in a transportation container after being drawn. The sample shall be sealed in the employee's presence and the employee given an opportunity to initial or sign the container. The container shall be stored in a secure and refrigerated atmosphere, and shall be delivered to the laboratory that day or the soonest normal business day by the fastest available method.
3. In testing blood samples, the testing laboratory will analyze blood/serum by using gas chromatography/mass spectrometry as appropriate. Where Schedule I and II drugs in blood are detected, the laboratory is to report a positive test based on a forensically acceptable positive quantum of proof. All positive test results must be reviewed by the certifying scientist or laboratory director and certified as accurate.
4. When a urine sample will be given by the employee, the employee shall be entitled, upon request, to give the sample in privacy. In most cases, this process will take place at laboratory. The sample container shall remain in full view of the employee until transferred to, and sealed and initialed in the two (2) tamper resistant containers and transportation pouch.
5. Immediately after the sample has been given, it will be divided into two equal parts. Each of the two portions of the sample will be separately sealed, labeled. If the sample is taken at a location other than the laboratory, it shall be stored in a secure and refrigerated atmosphere. One of the samples will then be delivered to a testing laboratory that day or the soonest normal business day by the fastest available method.
6. The sample will first be tested using the screening procedure set forth in Section (D) (3) of this appendix. If the sample tests are positive for any prohibited drug, the confirmatory test specified in Section (D) (4) of the appendix will be employed.
7. If the confirmatory test is positive for the presence of an illegal drug, the employee will be notified of the positive results within 24 hours after the Port learns of the results, and will be provided with copies of all documents pertinent to the test sent to or from the Port by the laboratory. The employee will then have the option of submitting the untested sample to a laboratory of mutual choice, at the Port's expense.
8. Each step in the collecting and processing of the urine samples shall be documented to establish procedural integrity and a chain of evidence. All samples deemed "positive" by the laboratory, according to the prescribed

guidelines, must be retained, for identification purposes, at the laboratory for a period of six (6) months.

9. All screening and confirmatory breath alcohol tests shall be conducted by certified breath alcohol technicians and in accordance with the procedures set forth in WAC 448.

F. Consequences of positive test results.

1. An employee who tests positive shall have the right to challenge the accuracy of the test results before any disciplinary procedures are invoked as specified in Section (E) (7) and the Departmental Grievance Procedure.
2. Consistent with the conditions of the appendix, the employer may take disciplinary action based on the test results as follows:

Confirmed positive test - Employee is subject to discharge.

G. Employee rights.

1. The employee shall have the right to a Union representative during any part of the drug testing process.
2. If at any point the results of the testing procedures specified in the appendix are negative, all further testing shall be discontinued. The employee will be provided a copy of the results, and all other copies of the results (including the original) shall be destroyed within 24 hours after the test results have been received by the employer. All positive test results will be kept confidential, and will be available only to the Chief, one designated representative of the Chief, and the employee.
3. Any employee who tests positive shall be given access to all written documentation available from the testing laboratory which verifies the accuracy of the equipment used in the testing process, the qualifications of the laboratory personnel, the chain of custody of the specimen, and the accuracy rate of the laboratory.



**COMMISSION  
AGENDA MEMORANDUM**

**Item No.** 8e

**ACTION ITEM**

**Date of Meeting** July 14, 2026

**DATE:** June 2, 2026  
**TO:** Stephen P. Metruck, Executive Director  
**FROM:** Greg Gauthier, Sr. Labor Relations Manager

**SUBJECT:** New Collective Bargaining Agreement Between the Port of Seattle and Teamsters Local 117 Representing Parking Services Revenue Representatives

**Additional cost over term:** \$524,895

**ACTION REQUESTED**

Request Commission authorization for the Executive Director to execute a new collective bargaining agreement (CBA) between the Port of Seattle and Teamsters Local 117 representing Parking Services Revenue Representatives (PSRR) in our Aviation Landside Operations Department, covering the period from June 1, 2026, through May 31, 2029.

**EXECUTIVE SUMMARY**

Good faith bargaining between the Port of Seattle and Teamsters Local 117 resulted in a fair collective bargaining agreement consistent with the Port’s priorities.

This bargaining unit consists of 19 Budgeted, FTE, Parking Services Revenue Representatives who provide customer service, cashiering transactions, and inventory control for the Airport’s public parking garage.

This new agreement covers a period of three years from June 1, 2026, through May 31, 2029. The estimated total cumulative additional cost for wages, pension, healthcare, and other benefits is \$524,895<sup>1</sup>.

The costs are based upon wage rate increases of 4.5% in year 1, and an estimated<sup>2</sup> 4% in each of years 2 and 3, a 3% estimated increase to healthcare premiums, a modest increase to pension contributions beginning in year 1, and a modest increase to the employees’ monthly healthcare premiums<sup>3</sup>.

---

<sup>1</sup> Based upon 17 positions  
<sup>2</sup> Years 2 and 3 are each based upon the Seattle/Tacoma/Bellevue CPI-U with a 2% minimum and 4% maximum; Each year employees may receive an additional 1% to their base wage rate, if the Port provides the same for non-represented employees if below twice the Seattle Minimum Wage rate.  
<sup>3</sup> Currently employees contribute \$140 per month, which will be increased by \$5.00 each year of the agreement

Meeting Date: July 14, 2026

**JUSTIFICATION**

RCW Chapter 41.56 requires the Port of Seattle to collectively bargain wages, hours and working conditions with the exclusive bargaining representative designated by the employees.

**SCOPE OF THE AGREEMENT**

Term of the Agreement  
June 1, 2026, through May 31, 2029.

**FINANCIAL IMPLICATIONS**

**Wages**

<b>PSRR</b>	<b>June, 2026</b>
	<b>4.5%</b>
Entry	\$26.13
After 1 Year	\$26.51
After 2 Years	\$27.14
After 3 Years	\$28.36
After 4 Years	\$29.56
After 5 Years	\$30.76
After 6 Years	\$31.99
After 7 Years	\$33.17
After 8 Years	\$34.38
After 9 Years	\$35.59
After 10 Years	\$36.78

Meeting Date: July 14, 2026

**Health, Pension, Retirement Medical, PCBT**

Health Insurance/Dental/Vision/Timeloss	Teamsters Plan A	Current Monthly Employer Premium \$1937.40 Employee Premium Share <u>\$140.00</u>
Pension	<u>Teamsters Western Conference Pension</u>	Employer Hourly Contribution <u>\$3.01</u> <sup>4</sup>
Retirement Medical	Teamsters (RWT)	Split Monthly Premium \$94.85
Defined Contribution	Teamsters (PCBT)	Employer Hourly Contribution \$1.35

Cost Impact \$	Term of Agreement 3 Year
Pay	\$423,772
Benefits	\$101,123
Total	\$524,895

The estimated additional cost of this Agreement to the Port of Seattle over the term of the agreement is \$524,895.

**ATTACHMENTS TO THIS REQUEST**

- (1) Collective Bargaining Agreement between the Port of Seattle and Teamsters Local 117 representing Parking Services Revenue Representatives (red lined).

**PREVIOUS COMMISSION ACTIONS OR BRIEFINGS**

June 13, 2023—Commission authorization of previous Collective Bargaining Agreement covering Parking Services Revenue Representatives.

<sup>4</sup> Increases to \$3.06 in first year, 2<sup>nd</sup> year to \$3.11, and 3<sup>rd</sup> year to \$3.16.

Item No: 8e attach1  
Meeting Date: July 14, 2026

# AGREEMENT

By and Between



**Port of Seattle**

And

**Teamsters Local Union No. 117**

Affiliated with the  
International Brotherhood of Teamsters

**REPRESENTING PARKING SERVICE REVENUE  
REPRESENTATIVES**



**Term of Agreement**

**June 1, 2026 – May 31, 2029**

**Redline**

## Contents

ARTICLE 1 - PURPOSE OF AGREEMENT .....	5
ARTICLE 2 - UNION RECOGNITION .....	5
ARTICLE 3 – PAYROLL DEDUCTION .....	5
ARTICLE 4 - BULLETIN BOARDS AND ELECTRONIC MAIL.....	6
ARTICLE 5 - UNION REPRESENTATIVE ACCESS .....	6
ARTICLE 6 - PAY PERIODS .....	6
ARTICLE 7 - UNIFORMS AND EQUIPMENT .....	7
ARTICLE 8 – HOLIDAYS .....	7
ARTICLE 9 - HEALTH AND WELFARE.....	8
ARTICLE 10 – PENSION .....	10
ARTICLE 11 - VACATIONS .....	11
ARTICLE 12 - SICK LEAVE.....	12
ARTICLE 13 – OTHER LEAVE .....	13
ARTICLE 14 – WORKERS COMPENSATION AND WORKPLACE ACCOMMODATION .....	14
ARTICLE 15 – BEREAVEMENT LEAVE .....	14
ARTICLE 16 – JURY DUTY AND COURT TIME .....	15
ARTICLE 17 – HOURS OF WORK AND OVERTIME .....	15
ARTICLE 18 – CALL BACK .....	17
ARTICLE 19 – SCHEDULE AND VACATION BIDDING.....	17
ARTICLE 20 – CLASSIFICATIONS AND RATES OF PAY .....	21
ARTICLE 21 – PROBATIONARY EMPLOYEES .....	23
ARTICLE 22 – NON-DISCRIMINATION .....	23
ARTICLE 23 - HANDLING OF DISCIPLINARY MATTERS.....	23
ARTICLE 24 - GRIEVANCE PROCEDURE .....	25
ARTICLE 25 - STRIKES.....	26
ARTICLE 26 - RESPONSIBILITY .....	26
ARTICLE 27 - SUB-RENTALS .....	26
ARTICLE 28 - MEMBERSHIP RECOGNITION .....	27
ARTICLE 29 - MEETINGS .....	27
ARTICLE 30 - SAVINGS CLAUSE .....	27
ARTICLE 31 - SENIORITY AND REDUCTION IN FORCE .....	28
ARTICLE 32 - DEFERRED COMPENSATION.....	29
ARTICLE 33 - EMPLOYEE LEARNING AND DEVELOPMENT .....	29
ARTICLE 34 - MORE FAVORABLE CONDITIONS .....	29
ARTICLE 35 – MISCELLANEOUS .....	29
ARTICLE 36 - TRANSFER OF WORK/CONTRACTING .....	30

ARTICLE 37 - BUSINESS PARTNERSHIP COMMITTEE..... 30

ARTICLE 38 - MANAGEMENT RIGHTS ..... 32

ARTICLE 39 - LETTERS OF UNDERSTANDING..... 33

ARTICLE 40 - DEMOCRAT, REPUBLICAN, INDEPENDENT VOTER EDUCATION (DRIVE)..... 33

ARTICLE 41 - TERM OF AGREEMENT ..... 34

Appendix A ..... 35

Appendix B ..... 36

Appendix C ..... 38

Redline

## **AGREEMENT**

### **ARTICLE 1 - PURPOSE OF AGREEMENT**

This Mutual Agreement has been entered into by the International Brotherhood of Teamsters, Local Union No. 117 (hereinafter referred to as the Union), and the Port of Seattle (hereinafter referred to as the Port), collectively herein referred to as the Parties. The purpose of this Agreement is the promotion of harmonious relations between the Port and the Union; the establishment through collective bargaining of the equitable and peaceful procedures for the resolution of differences; and the establishment of rates of pay, hours of work, benefits, and other terms and working conditions of employment.

### **ARTICLE 2 - UNION RECOGNITION**

2.01 The Port recognizes the Union as the sole and exclusive bargaining representative for the classification positions covered by this Collective Bargaining Agreement.

2.02 In accordance with RCW 41.56.037, the Union will be given thirty (30) minutes to meet with new employees of the bargaining unit within ninety (90) days of employment at a mutually agreeable time to discuss matters concerning the rights of employees, responsibilities of the Union, and services available to the membership. A Union Representative, Shop Steward, and/or Local Union member will be responsible for the presentation. Only the new employee will be released from duty with pay.

### **ARTICLE 3 – PAYROLL DEDUCTION**

3.01 The Port shall notify the Union as soon as possible of any deduction authorization received by the Port. Upon receiving notice from the Union, the Port agrees to deduct from the paycheck of each Union member or each non-member voluntary financial supporter covered by this Agreement who has voluntarily so authorized it, the initiation fee, and regular monthly dues, assessments or voluntary non-member financial supporter fee. Such authorization for deductions may be made in writing, electronically or through recorded voice. The Port shall transmit fees and dues to the Union once each month on behalf of the employees involved. If a deduction error is identified, the error will be addressed as soon as practicable.

3.02 The Port agrees to notify the Union of any new employees employed in classifications covered by this Agreement within five (5) business days from date of hire.

3.03 A Union member or voluntary financial supporter of the Union may cancel their payroll deduction authorization in accordance with the terms of the Union's payroll deduction

authorization form by giving written notification to the Union. If the Union receives such written notification, confirmation will promptly be sent to the Port by the Union when the terms of the employee's signed payroll deduction authorization form regarding cancellation have been met. The Port will make an effort to end the automatic dues deduction effective the first pay period but no later than the second pay period after receipt of the written cancellation notice.

3.04 The Union agrees to indemnify and hold harmless the Port for any actions taken pursuant to this Article. The Union agrees to refund to the Port any amounts paid to it in error upon presentation of proper evidence thereof.

#### **ARTICLE 4 - BULLETIN BOARDS AND ELECTRONIC MAIL**

Two (2) bulletin boards found to be mutually acceptable and in compliance with the needs of limited use by the Union shall be provided by the Port. Each of these bulletin boards shall be located near or in bargaining unit employee break areas. It is understood and agreed that the Union shall maintain the bulletin boards and that no material shall be posted which is obscene, defamatory, endorses or opposes candidates for public office or which would impair Port operations.

Union Stewards may make limited use of the Port's telephones, FAX machines, copiers, and similar equipment for purposes of contract administration in compliance with the Port's policies governing use of public resources. In addition, Stewards and Union staff may use the Port's electronic mail system for communications related to contract administration and sending notices, provided they comply with the Port's policies governing electronic mail and internet use. In no circumstances shall use of the Port's equipment interfere with operations and/or service to the public.

#### **ARTICLE 5 - UNION REPRESENTATIVE ACCESS**

The Port agrees to allow reasonable access to Port facilities for Union Representatives who have been properly authorized by the Union for contract administration purposes. Such access shall be permitted in a manner as not to interfere with the functions of the Department or the Port. This Article shall apply within the constraints of federal or state regulations and statutes.

#### **ARTICLE 6 - PAY PERIODS**

All employees shall be paid biweekly, and in no case shall the Port hold back more than fourteen (14) days' pay. No deductions shall be made from paychecks without the written consent of the employee, except as provided by federal, state, or municipal law. If the Port makes a payroll error resulting in an employee being owed five-hundred dollars (\$500.00) or more in gross straight-time pay, the Port shall make payment to the employee in the form of

a separate check given to the employee within three (3) business days (for the purposes of this Article, business days shall be defined as Monday, Tuesday, Wednesday, Thursday, and Friday). If the Port makes a payroll error resulting in an employee being owed between one hundred dollars (\$100.00) and five hundred dollars (\$500.00) in gross straight-time pay, the Port shall make payment to the employee in the form of a separate check given to the employee within five (5) business days. If there is a payroll error resulting in an employee being owed less than one hundred dollars (\$100.00) in gross pay, the Port will include the pay correction on the employee's next regular pay check.

If an employee is overpaid in the amount of five hundred dollars (\$500.00) or more, the employee will pay back the Port in four (4) payments, taken out of the next four (4) paychecks. If the amount of overpayment is less than five hundred dollars (\$500.00), it will be taken in two (2) equal amounts out of the next two (2) paychecks.

No claim by an employee of any discrepancy in pay shall be considered by the Union or the Port unless filed within thirty (30) days after receipt of the paycheck containing such discrepancy. The thirty (30) day limitation shall not apply, however, where the discrepancy arises from failure by the Port to authorize payment of a general automatic wage increase called for by this Agreement.

As a condition of continued employment, all employees are required to participate in the Port's direct deposit program for payroll purposes.

**ARTICLE 7 - UNIFORMS AND EQUIPMENT**

All uniforms or specified wearing apparel necessary in the performance of their work shall be furnished, laundered, or cleaned by the Port at no cost to the employee. All wage personnel will be required to wear Port authorized uniforms.

**ARTICLE 8 – HOLIDAYS**

8.01 Employees shall receive thirteen (13) paid holidays and designated days of normal observance as indicated below: (Except as otherwise provided in Sections 8.02 and 8.03 below). Employees shall be eligible for personal holidays after completing the probationary period.

<u>HOLIDAY</u>	<u>Normal Day of Observance</u>
New Year's Day	January 1
Presidents' Day	Third Monday in February
Memorial Day	Last Monday in May
Juneteenth	Day to be designated by Port each year
Fourth of July	July 4
Labor Day	First Monday in September

Veterans' Day  
Thanksgiving Day  
Christmas Day  
Four (4) Personal Holidays

November 11  
Fourth Thursday in November  
December 25  
Dates Selected by Employee

Employees shall individually select personal holidays of their choice to be used each calendar year, January 1<sup>st</sup> through December 31<sup>st</sup>. Such personal holiday usage shall be subject to Port management's approval in each case. Personal holidays must be used by December 31<sup>st</sup> of each calendar year or will be lost. Requests for cancellation of approved personal holidays can be made; however, to insure approval, personal holiday cancellation requests must be submitted prior to the biweekly bid process that includes the requested cancelled days. Employees do not have a right to displace another employee from scheduled work due to personal holiday cancellation unless cancellation is the result of an unforeseen personal hardship. Unforeseen Holiday shifts will be offered in seniority order.

Holiday pay for regular part time and unscheduled part time employees shall be prorated on an average daily work schedule per week, calculated over a five (5)-week period.

8.02 Holiday pay for full-time regular employees shall be eight (8) hours at the employee's regular rate of pay. All full-time regular employees shall be paid for all holidays indicated in Section 8.01 above regardless upon which day of the week the holiday shall fall, except as provided in Section 8.03 below. Employees working on holidays shall receive one and one-half (1½) extra days pay which shall be added to their regular biweekly pay. Except for personal holidays, holidays listed under Section 8.01 above shall be observed to coincide with dates commonly observed by State authority in lieu of the above. Any such readjusted schedule shall be established in December of each year for implementation in the following year. To be eligible for holiday pay, a full-time employee must have been on Port compensated time during the thirty (30) calendar days preceding the holiday. Such qualifying compensated time shall be limited to time worked, paid vacation, paid sick leave, bereavement leave, or jury duty.

8.03 If a holiday falls on an employee's normal day off, the employee may exercise the option of taking another day off within thirty (30) days; otherwise, holiday pay will be paid.

## **ARTICLE 9 - HEALTH AND WELFARE**

9.01 Effective June 1, 2026 (based on May hours), and each payroll calendar month thereafter during the period this Collective Bargaining Agreement is in effect, the Port agrees to pay to the Washington Teamsters Welfare Trust c/o NORTHWEST ADMINISTRATORS, INC. for every employee covered by this Agreement who was compensated for eighty (80) hours or more in the preceding month as follows. The preceding payroll calendar month shall be defined by an eligibility date range that has been established as administratively appropriate by the Port and the Trust.

a. Health & Welfare - Contribute the total sum of \$1,779.40 per month for continued benefits under "PLAN A" (price includes an additional \$18.00 for domestic partner coverage) with Time Loss "Plan A" (\$18.00), and Life Insurance "Plan A" (\$8.60).

b. Dental - Contribute the sum of \$122.70 per month for continued benefits under the "PLAN A" (price includes an additional \$2.20 for domestic partner coverage).

c. Vision - Contribute the sum of \$17.30 per month for continued benefits under the "EXTENDED BENEFITS" (price includes an additional \$0.20 for domestic partner coverage).

Effective June 1, 2026, each employee eligible for benefits in any month shall contribute one hundred forty-five dollars (\$145.00) towards the cost of the Health & Welfare monthly premium.

Effective June 1, 2027, each employee eligible for benefits in any month shall contribute one hundred fifty dollars (\$150.00) towards the cost of the Health & Welfare monthly premium.

Effective June 1, 2028, each employee eligible for benefits in any month shall contribute one hundred fifty-five dollars (\$155.00) towards the cost of the Health & Welfare monthly premium.

The Union will assist the Port in acquiring information from the medical benefits trust to insure that the Port is in compliance with the ACA. At any time during the term of this agreement, if the benefits provided by Washington Teamsters Welfare Trust become subject to an excise penalty, the parties agree to meet and discuss the impact. In the event the Affordable Care Act's Multiemployer Safe Harbor rule sunsets, the parties agree to open this section with respect to reporting and eligibility.

9.02 Maintenance of Plans. The Trustees may modify benefits or eligibility of any plan for the purposes of cost containment, cost management, or changes in medical technology and treatment. If increases are necessary to maintain the current benefits or eligibility, or benefits or eligibility as may be modified by the Trustees during the life of the Agreement, the Port shall pay such premium increases as determined by the Trustees.

9.03 The Port agrees to provide to each unscheduled part time employee a yearly calendar that shows the health and welfare eligibility date range for each month of the year in January that includes January of the following year.

9.04 Retirees' Welfare Trust. Effective June 1, 2026, based on May hours, contribute the sum of \$94.85 per employee per payroll calendar month for continued benefits under the "RWT PLUS PLAN." Monthly premiums required by the welfare trust, to maintain retiree

coverage, greater than \$94.85 per month shall be paid by the employee through wage diversion.

Effective June 1, 2026 based on May hours, the Port shall contribute the following for continued benefits under the Retirees Welfare Trust "RWT-PLUS PLAN", and the Port shall reduce each member of the Bargaining Unit's wages by an amount equal to one half (1/2) of the monthly premium per member.

Effective June 1, 2026                      \$94.85

**ARTICLE 10 – PENSION**

10.01            Western Conference of Teamsters Pension Trust Fund. Effective as designated below, the Employer shall pay the amounts stated below to the Western Conference of Teamsters Pension Trust Fund on account of each of its employees who perform the work listed under the classifications and wage section of this Agreement for every hour for which compensation is paid, said amounts to be computed monthly, provided that the maximum annual contribution shall be limited to two thousand eighty (2,080) hours:

<u>Effective</u>	<u>Basic Contribution Rate</u>	<u>(*Program for Enhanced Early Retirement) *PEER/84 Contribution Rate</u>	<u>Total Contribution Rate</u>
6/1/2026	\$2.83	\$0.18	\$3.01
2026*	\$2.87	\$0.19	\$3.06
2027*	\$2.92	\$0.19	\$3.11
2028*	\$2.97	\$0.19	\$3.16

\*Effective on the first day of the first payroll period in June.

The contributions required to provide the Program For Enhanced Early Retirement (PEER) will not be taken into consideration for benefit accrual purposes under the Plan for Port employees. The additional contribution for the PEER/84 must at all times be six and one half percent (6.5%) of the basic contribution and cannot be decreased or discontinued at any time.

The contributions shall be due and payable to the area administrative office no later than twenty (20) days after the end of each month. In the event the Employer fails to make the monetary contribution in conformity with this Article of the Agreement, the Trustees shall be free to take any action which is necessary to effect collections, and the Employer shall pay all costs of collections, including reasonable attorney fees.

Vacation time will be considered as time worked for the purpose of the Employer contribution referred to above.

10.02 PSRRs - Pacific Coast Benefits Trust. Effective June 1, 2026, the Port shall pay into the Pacific Coast Benefits Trust, on account of each member of the bargaining unit with at least two (2) years of continuous service, an amount equal to one dollar and thirty-five cents (\$1.35) for each hour for which compensation is paid to such employee. The total amount to be computed monthly.

## **ARTICLE 11 - VACATIONS**

11.01 At any time after the successful completion of the probationary period, employees may request and use vacation leave of up to the number of hours accrued at the time of the desired vacation date. Vacation hours shall be accrued hourly based on straight time hours paid based on the following accrual rates:

Ten (10) days' vacation during the first(1<sup>st</sup>) through the fourth (4<sup>th</sup>) years of service  
(0.038461 x 2080 annual hours = 10 days per year)

Fifteen (15) days' vacation during the fifth (5<sup>th</sup>) through the ninth (9<sup>th</sup>) years of service  
(0.05769231 x 2080 annual hours = 15 days per year)

Twenty (20) days' vacation during the tenth (10<sup>th</sup>) year of service through the fifteenth (15<sup>th</sup>) years of service (0.0769231 x 2080 annual hours = 20 days per year)

Twenty-one (21) days' vacation during the sixteenth (16<sup>th</sup>) year of service and beyond.  
(0.080693 x 2080 annual hours = 21 days per year).

Vacation pay shall be calculated on the basis of an employee's straight-time hourly wage.

11.02 When paid holidays, as outlined in Article 8 of this Agreement, fall within an employee's vacation period, employees shall receive holiday pay and will not have vacation deducted that day.

11.03 Whereas the Port and the Union recognize the importance of employees utilizing accrued vacation leave to promote and enhance their mental and physical well-being, employees shall attempt to use vacation leave during the year in which it is earned. To that end, an annual vacation bid process shall be conducted and additional vacation request procedures are established as outlined in Article 19.

11.04 Employees are strongly urged to take vacation in the year following the eligibility date when it was earned. No more than two hundred forty (240) hours of vacation may be carried over at any time.

11.05 Employees must use all accrued vacation and sick leave prior to using leave without pay. Leave without pay must be approved by management in advance.

11.06 The Port shall pay employees who terminate following the six (6) month probationary period, one hundred percent (100%) of any accrued vacation, at the employee's hourly rate at termination, as a lump sum. The lump sum payment shall not be subject to pension and benefit contributions.

11.07 Requests for cancellation of approved vacation can be made; however, to insure approval, vacation cancellation requests must be submitted prior to the biweekly bid process that includes the requested cancelled days. Unscheduled part time employees shall not be involuntarily displaced from scheduled work due to vacation cancellation of regular employees, except in cases of emergency. Emergencies may include an employee's or family member's illness, injury, or death.

## **ARTICLE 12 - SICK LEAVE**

12.01 Employees shall accrue sick leave at the rate of .025 per hour compensated.

Sick Leave will accrue in two banks.

Bank 1) Protected Sick Leave. .025 per hour worked will accrue as Washington Protected Sick Leave. Employees may utilize this leave in accordance with the minimum requirements of the Washington State Sick Leave Law, RCW 49.46.210. Employees shall be notified on each paystub of the amount of Protected Sick Leave they are entitled to use for authorized purposes as defined by the law). Employees shall be entitled to carry over up to a maximum of forty (40) hours of accumulated Protected Sick Leave into the following calendar year.

Bank 2) Paid Sick Leave. .025 will accrue as Paid Sick Leave per hour compensated, but not worked.

On January 1<sup>st</sup> of every calendar year Protected Sick Leave in excess of forty (40) hours will be transferred to bank 2.

Probationary employees shall accrue Paid Sick Leave but may not use sick leave from bank 2 until they have successfully completed probation.

Accruals in bank 2 will be computed, up to a maximum accumulation of sixty (60) days of unused Paid Sick Leave, subject to the limitations listed below. There is no limit on the amount of Protected Sick Leave that may be accrued in a calendar year.

12.02 Paid Sick Leave shall be used only in instances of bona fide employee illness or injury (or others as required by law) resulting in absence from work as normally scheduled and

shall not be converted to any other benefit or lump sum payment upon termination except as provided in 12.05 below.

12.03 Paid Sick Leave and Protected Sick Leave shall be at the employee's regular rate. Foreseen Paid Sick Leave of one (1) week or more for unscheduled part time employees shall be charged based on their hours compensated during the preceding five (5) week period.

12.04 A physician's statement may be required after the employee is off work for more than three (3) consecutive working days, was previously denied vacation leave for the same period of time, or an established pattern of absences exists (in this instance the Employer must have previously had a counseling session with the employee and given the employee an opportunity to explain the alleged pattern, and inform the employee of the need for a physician statement at the time of the sick call).

12.05 After completion of five (5) years continuous service, an employee who terminates shall receive payment for fifty percent (50%) of their accumulated Paid Sick Leave, not to exceed fifty percent (50%) of sixty (60) days, which shall not be subject to pension and benefit contributions.

12.06 Paid Sick Leave is not available for medical or dental appointments; however, Protected Sick Leave may be utilized pursuant to RCW 49.46.210.

12.07 Shared Leave. Employees may participate in the Port of Seattle's Shared Leave Program outlined in HR-5. The Port of Seattle's Shared Leave Program shall not be a bargainable issue. However, the Port agrees to provide advance notice of any changes to Shared Leave to the Union.

## **ARTICLE 13 – OTHER LEAVE**

13.01 Paid Parental Leave. The Port shall continue to provide Paid Parental Leave to members of this bargaining unit. Eligibility, participation, and terms of the Paid Parental Leave shall be provided to the bargaining unit members as outlined in Port policy HR-5. The Port may change or modify its Paid Parental Leave policy and/or procedures. If the Port desires a change/modification the Port agrees to provide the Union with advanced written notice.

13.02 Paid Family Leave. The Port shall comply with the requirements of the Washington Paid Family and Medical Leave Act and shall have full discretion on meeting those requirements (e.g. Voluntary Plan), which shall not be subject to the grievance procedure or to any other provision of this Agreement or to negotiation by the Union. However, the Port agrees, that for the term of this agreement, the Port shall make contributions to the chosen plan (i.e. State, Approved Voluntary) on the employee's behalf.

## **ARTICLE 14 – WORKERS COMPENSATION AND WORKPLACE ACCOMMODATION**

14.01 Supplemental Pay. At the employee's discretion, an employee may use sick leave during approved workers compensation time-loss periods. Sick leave supplements will be paid in amounts sufficient to bring the total pay up to the normal bi-weekly rate. When sick leave is exhausted, vacation leave may be paid in the same proportion as described for sick leave to bring total pay up to the normal bi-weekly rate.

14.02 Disability Case Management. The Port of Seattle will provide all employees with reasonable accommodation and return-to-work assistance as determined on a case-by-case basis. Appropriate Port of Seattle personnel will work with the employee to comply with any and all legal requirements and insurance policies. Such legal requirements and insurance policies may include the Americans with Disabilities Act (ADA), the Family and Medical Leave Act (FMLA), the Family Care Act (FCA), workers compensation and long term disability insurance.

14.03 Declining Light Duty. In the event a light duty assignment is offered by the Port and the employee chooses not to accept such assignment, as provided by law, the employee will not be eligible to receive time-loss compensation. Employees are not required to accept any assignment that would exceed the restrictions set by their attending physician(s) of record.

## **ARTICLE 15 – BEREAVEMENT LEAVE**

15.01 An employee who suffers a death in their immediate family shall be eligible for five (5) days bereavement leave, which shall be granted by the Port subject to the following conditions:

- a. The Port shall pay compensation at the employee's regular rate of pay for three (3) of the five (5) days. The two (2) days for which the Port is not compensating can, with the employee's permission, be paid through use of vacation or personal holidays, except when those days fall on the employee's normal days off. When the two (2) uncompensated days fall on the employee's normal days off, that employee shall not be paid for those two (2) days.
- b. The employee attends the funeral, wake, memorial service, or provides official documentation.
- c. Immediate family shall be defined as wife, husband, daughter, son, mother, father, sister, brother, aunt, uncle, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, grandparents, grandchildren, step-parents, step-siblings, step-children, and spouse's grandparents, aunt, uncle. Immediate family shall also include domestic partners and their respective relatives listed above.

- d. Compensation for bereavement leave shall cover only time lost during the employee's scheduled workweek.

The employee may be allowed up to an additional two (2) days of paid leave in consideration of the distance to the funeral or to the extent of the employee's involvement with arrangements for the deceased.

Paid bereavement leave for regular part time and unscheduled part time shall be pro-rated based on the average daily work schedule per week calculated over a five (5)-week period.

## **ARTICLE 16 – JURY DUTY AND COURT TIME**

16.01 After thirty (30) days of continuous employment, an employee covered by this Agreement who shall be summoned for jury duty shall, upon submission of proper evidence of their attendance in court, be paid their regular rate of pay for the actual hours lost (but not to exceed eight (8) hours per day or forty (40) hours per week). If an employee is released from jury duty and has at least four (4) hours of their shift remaining, they shall immediately report back to work for the remainder of the shift.

16.02 An employee who is called upon by the Port to serve as a witness in a court case or arbitration involving the Port of Seattle shall be paid their regular rate of pay while performing such witness service during their normal shift schedule. An employee performing such witness service outside of their normal work schedule shall be paid for a minimum of three (3) hours at the overtime rate for each court appearance required. Time required in court for such witness service in excess of three (3) hours shall also be compensated for at the overtime rate. To verify time in excess of three (3) hours spent in court, an employee shall submit to the Port a time slip signed by an official of the court.

16.03 Any fees received from the court by an employee who is a required witness in a Port-related court appearance shall be turned over to the Port. The Port shall reimburse an employee for mileage paid by the court when such employee is a required witness in a Port-related court case.

## **ARTICLE 17 – HOURS OF WORK AND OVERTIME**

17.01 Regular Full Time. Eight (8) hours shall constitute a workday and five (5) full eight (8) hour days shall constitute a workweek. For payroll purposes the workweek is defined as Sunday through Saturday. The eight (8) hour day shall be worked within an eight and one half (8.5) hour period in each of the five (5) days. Regular full time work schedule will include two (2) consecutive days off.

17.02 Regular Part Time. A work day shall consist of one or more work shifts totaling no more than eight (8) hours exclusive of unpaid meal periods. Regular part time work schedules shall be twenty (20) to thirty-six (36) hours per week and will include two (2) consecutive days off. Part time schedules of less than five (5) days may not have all work days scheduled consecutively. Example: Work shifts on Sunday, Monday, Thursday and Friday; Days off Tuesday, Wednesday, Saturday.

17.03 Unscheduled Part Time Employees. Unscheduled part time employees are employees who do not have a regular full time or regular part time schedule and have no guarantee of hours. Unscheduled part time employees are employees who bid on variable work week schedules during the biweekly bid process and are offered additional hours of work by seniority according to the procedures set forth in Article 17, below.

17.04 Variable Weekly Work Schedule Definition. Variable weekly work schedules are work schedules comprised of hours of coverage needed in excess of those covered by regular full time and regular part time schedules and include coverage, as needed, in the absence of employees with regular full and regular part time schedules. Variable weekly work schedules may consist of one or more daily work shifts totaling no more than eight (8) hours (exclusive of unpaid meal periods) and must include one day off in each work week. Variable weekly work schedules are assigned using the processes outlined in Section 19.03, below.

17.05 Relief Periods

A thirty (30) minute unpaid meal period and two (2) fifteen (15) minute paid rest periods are established for each eight and one-half (8-1/2) hour shift. If an employee does not get a break during a shift, the employee shall be paid at the overtime rate for missing the break.

The scheduling of such meal period and rest periods shall be as follows: The fifteen (15) minute breaks shall be scheduled approximately midpoint of each half (1/2) shift and the meal period shall start no earlier than three (3) hours nor later than the beginning of the fifth (5<sup>th</sup>) hour from the start of the shift.

An employee who is anticipated to, or works more than three (3) hours beyond their normally scheduled quitting time shall have a one-half (1/2) hour unpaid meal period either between shifts or during their shift extension, or one-half (1/2) hour of additional pay at the overtime rate if not afforded the meal period.

During overtime hours, employees shall be entitled to the same meal periods and/or rest periods that the employee they are covering would have had.

During overtime hours when an employee is working a special assignment, breaks and meal periods will be provided as practicable.

Employees may be required to report to work or work extended hours in emergency conditions. Employees required to stay overnight or between shifts will be provided reasonable accommodations and subsistence.

17.06 Overtime. Time worked in excess of eight (8) hours in any twenty-four (24) hour period shall be considered overtime and shall be paid for at the rate of one and one-half (1.5) times the employee's regular rate of pay; unless such period of work is as a result of the employee's following shift beginning within the twenty-four (24) hour period; and the employee has had ten (10) hours off before returning to work, in which case the time will be considered straight-time. Employees may voluntarily work a shift with at least eight (8) but less than ten (10) hours off on the first day of the bi-weekly bid without triggering overtime under this provision.

Time compensated in excess of forty (40) straight-time hours in any one (1) employee's workweek shall be considered overtime and shall be paid for at the rate of one and one-half (1.5) times the employee's regular rate of pay.

Overtime shall be paid on one basis only, and there shall be no compounding or pyramiding of overtime. The overtime rate shall be calculated based upon an employee's shift differential, if applicable, as provided in Article 20 (b). On no occasion shall the Port offer time off in lieu of overtime.

## **ARTICLE 18 – CALL BACK**

When an employee is called back the same day, after the completion of a day's work, and after leaving the Employer's premises, a minimum of four (4) hours shall be paid at the applicable rate of pay. Employees who are called back for failure to complete in a satisfactory manner work which has been assigned shall not be eligible for the four (4) hours' minimum pay provided by this Article.

## **ARTICLE 19 – SCHEDULE AND VACATION BIDDING**

19.01 Annual Work Schedule and Vacation Bid for Regular Full Time, Regular Part Time, and Unscheduled Part Time employees. Regular full time and regular part time work schedules shall be bid once per calendar year in order of seniority by the following procedure. Regular part time bid lines shall only be created by mutual agreement of the parties.

1. Available work schedules shall be posted and distributed to employees at least one week prior to the start of the bid process. The bid process shall begin by November 5 of each year with a bid preference sheet and seniority list.
2. Each employee will bid their preferred schedule by seniority. Each employee shall bid their shift and vacation at the same time.

3. The bid work schedules will be posted and distributed to staff no later than 48 hours after the bid is completed. A copy of the schedule will also be sent to the Union. The vacation calendar will be posted in the Toll Plaza.
4. New schedules will start the first day of the first bi-weekly bid of the New Year.

Effective for 2028, regular full time and regular part time work schedules shall be bid twice per calendar year in order of seniority by the following procedure. Regular part time bid lines shall only be created by mutual agreement of the parties.

1. Available work schedules shall be posted and distributed to employees at least one week prior to the start of the bid process. The bid process shall begin by November 5<sup>th</sup> and May 5<sup>th</sup> of each year with a bid preference sheet and seniority list.
2. Each employee will bid their preferred schedule by seniority. Each employee shall bid their shift and vacation at the same time.
3. The bid work schedules will be posted and distributed to staff no later than 48 hours after the bid is completed. A copy of the schedule will also be sent to the Union. The vacation calendar will be posted in the Toll Plaza.
4. New schedules will start the first day of the first new payroll period in January and July, respectively.

More frequent schedule revisions may be necessary due to operational changes. If schedules require revisions of greater than fifteen (15) minutes to the start and or quit time, the Port and the Union will meet in good faith to arrive at an alternative schedule. Such changes will require the Union's agreement, to the extent required by law.

#### 19.02 Vacation Bidding.

1. Employees will have from 0000 to 2400 on their assigned bid day to select their shift and vacation time.
2. If an employee is unavailable during the bid process, they will leave a list of preferred shifts and days vacation dates in a locked proxy box prior to their assigned bid day.  
Note: The number of preferences must equal the seniority of the employee.

Three (3) vacation slots per day will be made available per classification during the annual vacation bid process, limited to a maximum two (2) off on any shift. Additional requests for vacation leave from all bargaining unit members will be first come/first serve and approved

consistent with operational staffing needs. In general, requests for use of vacation leave shall be granted, when the request is made prior to the initial posting of the biweekly bid process for the dates requested, provided there is adequate coverage available.

Requests to cancel approved vacation shall be considered based on operational impact. To insure approval, vacation cancellation requests must be submitted prior to the biweekly bid process that includes the requested cancelled days. Employees do not have a right to displace another employee from scheduled work due to vacation cancellation unless cancellation is the result of an unforeseen personal hardship. Employees released to return to work from medical leave may displace employees from scheduled work.

### 19.03 Biweekly Foreseen Schedule Bid

A. Two Week Biweekly Bid Schedules. Two (2) week schedules will be configured by management as follows:

1. When back fill is needed for a forty (40) hour weekly work schedule of an employee on leave, such schedule shall be an available schedule for bid and shall not be broken up. Weekly forty (40) hour bid vacation assignments shall be offered to unscheduled part time employees in order of seniority, in lieu of rotation. It is agreed that when forty (40) hour bid vacation assignments offered under this Section are back-to-back, requiring two (2) periods of work without a day off, the first day of the second forty (40) hour period will be assigned to another employee.
2. Individual work shifts, to be filled, will be configured into two (2) week schedules; first, with weekly schedules of thirty-two (32) – forty (40) hours that include at least one day off; then by combining the remaining shifts while maintaining the “ten (10) hour rule”.
3. Where possible shift rotation will be minimized.

B. The Bid Process (Foreseen). To fill foreseen staffing needs a biweekly schedule bid will be conducted for variable weekly work schedules as follows:

1. Regular part time employees will be offered additional hours, up to forty (40) hours per week, prior to those hours being made available to unscheduled part time employees through the biweekly bid process. The additional hours offered will not include forty (40) hour blocks described in Article 19.03 A (1) above.
2. On a biweekly basis, two (2) week schedules, configured according to Article 19.03 (A) above, with a preference bid sheet will be posted and distributed to employees.

3. The two (2) week bid schedules and bid sheets shall be posted and distributed every two (2) weeks on a Saturday no later than 5:00 pm. The day and time will be set annually by the Employer and communicated to employees. A change to the set day and time must be communicated to the Union thirty (30) days in advance unless an emergency situation occurs such as the responsible supervisor is on unscheduled leave.
4. The available two (2) week bid schedules will be posted and distributed for bid via email, employee bulletin boards in the Toll Plaza command center, and electronic media as available (e.g., SharePoint).
5. The designated day for posting shall be three (3) days prior to the bid day.
6. Bidding shall be by seniority and each employee shall have a designated bid appointment time of fifteen (15) minutes with the scheduler/supervisor on every other Wednesday following the Saturday posting.
7. Employees may submit a bid preference sheet prior to bid day in lieu of bidding in person or by phone on bid day.
8. It is the employee's responsibility to contact the scheduler/supervisor during the designated fifteen (15) minute time slot to bid on a preferred two (2) week work schedule.
9. If an employee fails to submit their bid preference sheet prior to bid day or fails to make contact during the designated time they may lose their seniority preference for that biweekly schedule bid process. A late caller can choose among schedules available at the time of the late call.
10. Employees can choose to "drop to the bottom" by stating so at their bid time, declining to submit a bid or choosing not to call in on the bid day. Unfilled schedules will be assigned in reverse seniority order including those employees who have "dropped to the bottom".
11. The final schedules will be posted no later than 4:00 pm Thursdays for two (2) week schedule starting the following Sunday.

19.04        Scheduling Unforeseen Hours. When additional hours not included in the biweekly bid process become available, those additional hours will be offered on a seniority basis to regular part time and unscheduled part time employees who do not have forty (40) hours per week scheduled. Those employees will have the option to bypass available hours when offered if there is a lower seniority employee available to take the offered hours and that employee will not go into overtime or violate the ten (10) hour rule. As a last resort, management reserves the right to assign hours in reverse seniority order on a mandatory basis

to unscheduled part time employees. When none are available overtime will be offered to regular full time employees in seniority order.

In addition to the option of bypassing work to less senior, unscheduled part time employees may decline work offered three (3) times per quarter. When an employee declines work that employee shall not be required to accept a new shift of work for twenty-four (24) hours from the start of the offered shift.

Declining work a fourth (4<sup>th</sup>) time in a quarter will result in a written warning and further incidents of declining work shall be subjected to further progressive discipline consistent with Article 23.

19.05 Scheduling Overtime. Management shall offer overtime to the most senior employee consistent with the overtime provisions in 17.06.

19.06 Trading Days Off. When an employee wishes to trade work shifts and/or days off with another employee, such trading of work shifts and/or days off shall be subject to management approval and to the following controls and conditions:

- a. A trade must involve an exchange of work shift and/or days off between two (2) employees that does not result in overtime or a violation of the ten (10) hour rule.
- b. When a “trade” involving days off occurs, paychecks may fluctuate to reflect actual hours worked. Management may deny any trade that results in payment of any applicable overtime rate-of-pay for any party involved in the trade. In each case, days off must be taken within two (2) weeks of when a “trade” occurs.
- c. Employees must give management notice in writing of a requested trade at least twenty-four (24) hours in advance of the proposed trade dates.

19.07 Labor/Management Review. The Parties may agree to meet from time-to-time to discuss issues that may arise concerning the scheduling procedures.

**ARTICLE 20 – CLASSIFICATIONS AND RATES OF PAY**

Effective on the first day of the first payroll period in June , 2026, base wage rates for employees still employed in this bargaining unit on the date of the Union’s ratification of this agreement shall be increased by four and one-half percent (4.5%).

(a) PSRR	<u>Years of Service</u>	<u>Rate</u>
	Entry	\$26.13
	After 1 year	\$26.51
	After 2 years	\$27.14
	After 3 years	\$28.36

After 4 years	<del>\$29.56</del>
After 5 years	\$30.76 <del>\$31.99</del>
After 6 years	33.17\$34.38\$3
After 7 years	5.59 <del>\$36.78</del>
After 8 years	
After 9 years	
After 10 years	

Effective on the first day of the first payroll period in June, 2027, base wage rates shall be increased by one hundred percent (100%) of the December through December Seattle/Tacoma/Bellevue CPI-U. The increase shall not be less than two percent (2%) nor more than four percent (4%).

Effective on the first day of the first payroll period June, 2028, base wage rates shall be increased by one hundred percent (100%) of the December through December Seattle/Tacoma/Bellevue CPI-U. The increase shall not be less than two percent (2%) nor more than four percent (4%).

If during the term of this agreement, in each of 2027, and 2028, the Port applies an additional one percent increase to non-represented employees base wage rates that are less than two times the City of Seattle minimum wage rate for that year, and the After 10 years base wage rate for employees in this bargaining unit is less than two times the City of Seattle minimum wage rate for that year, the base wage rates will be increased by an additional one percent (1%) for that respective contract year and applied on the first day of the first payroll period in June of that contract year.

**Lead PSRR:**

In the event the Port creates a Lead PSRR assignment, the Port agrees to provide notice and negotiate any mandatory subjects requested.

**(b) SHIFT DIFFERENTIALS:**

- Shifts shall be identified by starting times, as follows:

Day Shift:	From: 4:00 a.m.	To: 11:59 a.m.
Swing Shift:	From: 12:00 noon	To: 7:59 p.m.
Graveyard Shift:	From: 8:00 p.m.	To: 3:59 a.m.

- Employees assigned to a swing shift shall receive seven and one-half percent (7.5%) per hour above their regular classification rate [as listed in items (a) or (b) above]. Employees assigned to graveyard or relief

shifts shall receive ten percent (10%) per hour above their regular classification rate [as listed in items (a) or (b) above].

- (c) **TRAINING PAY:** Employees assigned to training duties shall be compensated at one dollar (\$1.00) per hour premium for time spent performing those duties.

## **ARTICLE 21 – PROBATIONARY EMPLOYEES**

After employment, PSRRs shall be on probationary status for a working equivalent of six (6) months. The probationary period may be extended an additional three (3) months by mutual agreement between the employee, the Port and the Union.

## **ARTICLE 22 – NON-DISCRIMINATION**

It is mutually agreed between the Port and the Union that there shall be no discrimination against any employee or applicant for employment or against any Union member or applicant for membership because of race, ethnicity, color, creed, national origin, ancestry, sex, pregnancy, gender identity or expression, age (over 40), sexual orientation, religion, military status, disability, marital status, citizenship status, political ideology, veteran status, the presence of any physical or mental disability, whistleblower status, use of workers' compensation, Family Medical Leave Act (FMLA) use, or any other category protected by applicable federal, state, or local law, regulations and ordinances.

The Port and the Union are committed to promoting equity, diversity and inclusion in the workplace. The Port refers to equity as the fair treatment, access, opportunities, and advancement for all people while striving to identify and eliminate barriers that have prevented the full participation of historically oppressed communities.

## **ARTICLE 23 - HANDLING OF DISCIPLINARY MATTERS**

23.01 **Just Cause.** The Port shall not discipline or discharge any employee without just cause.

23.02 **Investigation Meetings.** The Employer shall recognize the right of an employee to union representation in an investigation/fact-finding meeting that could lead to the discipline of the employee. An employee who waives this right shall acknowledge such in writing.

23.03 **Written Warning Notices.** If a written warning notice involves a specific incident or violation, such notice, to be considered valid, must be issued within twenty-one (21) calendar days after the Port became aware of the occurrence of such incident or violation claimed by the Port. The timeline to issue written warning notices may be occasionally extended in order for the Employer to perform a fair and complete investigation with mutual agreement between the Port and Union. Written warnings shall be considered inactive and can no longer be used

to justify further disciplinary action after eighteen (18) months following the issuance of the written warning as long as no further incident or violations of the same nature have occurred. At least one written warning notice identifying a complaint against the employee must have previously been given to the employee with a copy to the Union prior to discharge of the employee with the following exceptions:

- a. Probationary employees may be discharged for just cause without prior written warning notice. Such discharged employees will not have access to the grievance procedure.
- b. Discharge resulting from any of the infractions identified in 23.04 below require no prior written notice.

23.04 Infractions requiring no written warning notice prior to discharge.

- a. Gross misconduct such as but not limited to the following:
  - Theft in connection with Port employment - including stealing time, materials, money, belongings, or equipment,
  - Gross Insubordination,
  - Fighting on Port premises,
  - Possession, sale, use of, or under the influence of - unprescribed narcotics or controlled substances or alcohol while on Port premises,
  - Deliberate falsification of official Port documents or records,
  - Willful destruction or damage to Port property,
  - Willful or gross disrespect for customers; or
  - Committing a felony while on duty.
- b. Serious vehicle violations including but not limited to the following:
  - A serious accident wherein the employee is proven to be grossly negligent by a preponderance of the evidence,
  - Willful failure to provide a timely report of an accident involving Port equipment,
  - Willful vehicle abuse of a serious nature including reckless driving, or
  - Unauthorized use of a company vehicle or the carrying of unauthorized passengers on the Port's equipment.

23.05 Discharge and Suspension Notices. The Employer shall recognize the right of an employee to due process prior to disciplinary suspension or discharge from employment. Notice of recommended disciplinary suspension or discharge shall be timely made following the investigation of the circumstances resulting in the recommendation, normally within thirty (30) calendar days after the Port became aware of the incident. The notice of proposed discipline shall include the facts upon which the charges are made and a scheduled opportunity to respond to the charges. Notification of a final decision following the response opportunity shall normally be within seven (7) days.

23.06 Right of Rebuttal. Employees shall have the right to provide a written rebuttal statement as an attachment to any/all corrective action.

23.07 Notice to the Union. The Port agrees to provide courtesy copies (cc) to the Union of written warnings; and, notices of recommendations for discipline and final disciplinary letters in cases involving suspension and discharge.

## **ARTICLE 24 - GRIEVANCE PROCEDURE**

24.01 A grievance shall be defined as an issue raised relating to an alleged violation of any terms or provisions of this Agreement.

24.02 Step 1. The shop steward or the Union Representative shall, within fourteen (14) calendar days from the occurrence or knowledge of the occurrence of an alleged grievance, bring said grievance to the attention of the Supervisor, using the grievance form attached to this agreement as Appendix A. The Supervisor shall make every effort to resolve the alleged grievance within fourteen (14) calendar days after its initial submission.

Step 2. In the event no settlement is reached within the fourteen (14) calendar day period, the Union Representative shall, then within fourteen (14) calendar days, bring said grievance to the attention of the Manager or designee. The Manager or designee shall make every effort to resolve the alleged grievance within fourteen (14) calendar days after submission.

Step 3. In the event no settlement is reached within this fourteen (14) calendar day period, the Union shall provide a copy of the written grievance to the Port's Director of Labor Relations or the Director's designee. Representatives of the Union and the Port shall then meet to attempt settlement of the grievance.

(Time limitations identified in Steps 2 and 3 may be waived by mutual agreement between the Port and the Union.)

Mediation. In the event no settlement is reached by the Union and the Port within thirty (30) days of the Step 3 meeting, upon mutual agreement, the Port and the Union may agree to submit the grievance to a mediator appointed by the Public Employment Relations Commission or another mutually agreed upon mediator for mediation. If mediation fails to resolve the issue(s), or if both parties do not agree to submit the grievance to mediation, then the matter may be referred to arbitration by the grieving party. Nothing said or done by the parties or the mediator during the grievance mediation can be used in the arbitration proceeding.

Step 4. In the event no settlement is reached by the Union and the Port, within thirty (30) calendar days of the Step 3 meeting or the mediation session, the parties shall have the right to submit a demand for arbitration to the Port. Within seven (7) calendar days after the

demand for arbitration, the Union and the Port shall mutually agree upon an arbitrator. If the parties fail to agree, the grieving party shall, within seven (7) calendar days request a list of seven (7) qualified neutrals from the Federal Mediation and Conciliation Service (FMCS). Within seven (7) calendar days after receipt of the list, the Union and the Port shall alternately strike the names on the list, and the remaining name shall be arbitrator. The hearing on the grievance shall be informal and the rules of evidence shall not apply. The arbitrator shall not have the power to add to, subtract from, or modify the provisions of this Agreement in arriving at a decision of the issue or issues presented; and shall confine their decision solely to the interpretation, application, or enforcement of this Agreement. The arbitrator shall confine themselves to the precise issue submitted for arbitration, and shall have no authority to determine any other issues not so submitted to them. The decision of the arbitrator shall be final and binding upon the aggrieved employee, Union, and the Port.

The Port and the Union shall share equally the fees and expenses of the arbitrator. Each party shall otherwise pay its own fees, expenses and costs, including attorney fees.

In the event FMCS is unresponsive to the parties' request for a panel of arbitrators, the parties may, by mutual agreement request the services of another agency that maintains a roster of labor arbitrators or mutually agreed upon proposed individual arbitrators.

24.03 Nothing herein shall prevent an employee from seeking assistance from the Union or the Union from furnishing such assistance at any stage of the grievance procedure.

#### **ARTICLE 25 - STRIKES**

In recognition of the Port's status as a municipal corporation, there shall be no strikes, lockouts, picketing, work stoppages, or similar activities to impede Port operations.

#### **ARTICLE 26 - RESPONSIBILITY**

Employees shall not be responsible for lost, damaged, or stolen property except in the case of proven negligence. Upon request of the Union a full report will be furnished to the Union by the Port.

#### **ARTICLE 27 - SUB-RENTALS**

It is understood and agreed that where sub-rentals or leases are entered into covering any of the operations set forth in Article 20 of this Agreement, the conduct of such operations shall be in accordance with the provisions of this Contract.

**ARTICLE 28 - MEMBERSHIP RECOGNITION**

Both the Port and the Union agree that the Union members covered by this Contract take pride in their membership in the Teamsters Local 117. It is mutually agreed that in order to recognize their membership and display that pride, the Port will provide nameplates, upon request for each employee to use while at work. These nameplates will be mounted on the exit booths for PSRRs during each individual member’s shift. Each nameplate will contain the first name of the employee and state their membership in Teamsters Local 117. In addition, the nameplate may contain customer service oriented wording such as “reliable” and “courteous.” A sample depiction is below:



**ARTICLE 29 - MEETINGS**

29.01 Employees who are requested to attend optional instructional meetings on their own time (not those held on Company time) shall be paid for actual time spent at the meetings only. Overtime rate-of-pay shall be paid under the provisions of Article 17 – Scheduling, Hours of Work and Overtime. The four (4) hour minimum required under Article 18 - Call Back shall not apply.

29.02 Up to one employee per classification selected by the Union to attend negotiating sessions shall be paid for time lost from their regularly scheduled shifts. They will not be paid overtime on hours outside of their regularly scheduled shifts.

29.03 When employees are required to attend a mandatory meeting(s) and they meet the requirements of Article 18, they shall be paid in accordance with Article 18 (Call Back). This shall not be construed as to apply to training.

**ARTICLE 30 - SAVINGS CLAUSE**

If any Article in this Agreement or any appendix hereto should be held invalid by operation of law or by any tribunal of competent jurisdiction, or if compliance with or enforcement of any article or appendix should be restrained by such tribunal, the remainder of this Agreement and its appendix shall not be affected, and the parties shall enter into immediate collective

bargaining negotiations for the purpose of arriving at a mutually satisfactory replacement of such article.

### **ARTICLE 31 - SENIORITY AND REDUCTION IN FORCE**

31.01 Seniority shall commence when assigned as an employee in the bargaining unit and shall remain in force while assigned as an employee. Seniority shall be broken by termination, after one (1) year on layoff, after (1) one year leave without pay, or by leaving the bargaining unit. Seniority shall have no required applications except as specifically provided for in this Labor Agreement.

31.02 For purposes of shift and vacation bidding, and in the event of a reduction in force, there shall be one (1) seniority list. The least senior employee shall be the first laid off and the last employee laid off shall be the first recalled.

Appropriate utilization of affected classes may modify the preceding paragraph. If this becomes necessary, the Union will be notified prior to the layoff. If the Union requests a meeting for the purpose of discussion, such a meeting will be scheduled.

31.03 All time worked as an employee in the bargaining unit shall count towards seniority. Employees shall have seniority from their date of hire. Employees shall be promoted to full-time based on seniority. After one probationary period, employees shall not be probationary again, except in the event an employee changes job classifications within the bargaining unit. If an employee, under the aforementioned situation does not successfully complete probation in the new classification they shall be allowed to return to their prior classification without loss of seniority.

31.04 In the event of a reduction in force due to automation, the following provisions shall apply:

- a. The Port of Seattle shall provide written notice to the affected employee at least thirty (30) calendar days in advance of the effective date.
- b. Employees receiving written notices shall have outplacement service made available to them. These services shall be arranged and paid for by the Port of Seattle.
- c. An employee who has been subject to a reduction in force due to automation shall not suffer a break in seniority and may be eligible for recall for up to two (2) years from the date of the layoff. All employees in this category shall keep a current address and phone number on file with the Port of Seattle. The employee shall notify the Port of Seattle of any change of address or phone number, in writing, within fifteen (15) days of the change.

31.05 Severance. Should the need arise for a permanent reduction in a classification covered within this Agreement, the Port agrees to meet with the Union to bargain the effects of such decision. The topics to be included in such impact negotiations will include severance payments, if any, and the timing and notice period for such reduction.

## **ARTICLE 32 - DEFERRED COMPENSATION**

As provided below in this Article, bargaining unit employees shall be eligible for participation in the Port of Seattle's Deferred Compensation Plan. Eligibility and participation of said employees shall be subject to the terms and conditions of such plan including any plan amendments, revisions, or possible cancellation. It is further agreed that content of the plan itself, plan administration, and any determinations made under the plan shall not be subject to any other provisions of this Labor Agreement or to negotiation by the Union.

## **ARTICLE 33 - EMPLOYEE LEARNING AND DEVELOPMENT**

To provide career development opportunities to bargaining unit employees, the Union and management will support employee participation in the Port's employee development and internship programs. Successful applicants to internship programs shall remain members of the bargaining unit and retain all rights and benefits under the Collective Bargaining Agreement, except that temporary schedule adjustments and/or alternate work schedules to accommodate internship activities shall be allowed as agreed between the participating departments and the intern.

Educational assistance for employees shall be subject to the approval of the Manager. Employees are eligible to apply for College Degree Tuition reimbursement support under the terms of HR-12.

The Parties understand that the Employment Development and Education opportunities identified in Article 33 shall not be subject to bargain and are subject to revision by the Port. However, the Port agrees to provide advance notice of any changes to this program.

## **ARTICLE 34 - MORE FAVORABLE CONDITIONS**

Working conditions, such as wages, hours of work or conditions of employment currently in effect, more favorable to employees than those set forth herein, shall remain in effect during the life of this Agreement to the extent required by law.

## **ARTICLE 35 – MISCELLANEOUS**

35.01 Accidents. Employees shall not be required to stand the cost arising out of any accident in which they may be involved during the normal course of their job duties, nor shall

they be discharged for being involved in an accident unless the employee in question has been proven to be negligent by a preponderance of the evidence.

35.02 Illegal Equipment. Employees shall not be required to drive equipment that does not conform to applicable City, State, and Federal vehicle codes. The Port shall reimburse employees for all fines and make whole any loss in pay resulting from arrests and/or citations for driving illegal Port equipment. Drivers shall not suffer a loss of working hours or pay for refusal to operate an illegal company vehicle which is a bona fide safety hazard.

35.03 Time Clocks. All employees will be required to report their time on designated time clocks and/or other medium (e.g. computer, laptop, etc.) as directed by the Port. Employees will be paid for all time worked.

35.04 Commuter Benefits. The Port agrees to extend to members of the bargaining unit a discount priced ORCA card on the same basis as such benefit is provided to non-represented employees. The Port reserves the right to modify or discontinue the benefit without a duty to bargain if the benefit is modified or discontinued for non-represented employees.

35.05 Employee Parking. For the life of this Contract employee parking shall be provided at no cost to the employee at places designated by the Port. Additionally, vacation parking shall be provided at no cost to employees on the same basis as provided to non-represented employees as long as such benefit is provided.

## **ARTICLE 36 - TRANSFER OF WORK/CONTRACTING**

The Port of Seattle will not contract out any of the work presently being done by PSRRs during the term of this Agreement. It is understood that no Port client or customer is forced to utilize Port services. The Port will not suggest to the customer or client that it would be more economically feasible for the customer to use services other than those provided by the Port. It is also understood the Port may not have any control over the decision of the customer or client in selecting certain services or service providers.

## **ARTICLE 37 - BUSINESS PARTNERSHIP COMMITTEE**

37.01 The Port and the Union agree to establish a joint labor-management Business Partnership Committee to deal with issues relevant to the Port's public parking operations.

37.02 The BPC's mission or purpose is to use the collaborative problem-solving process to make recommendations in areas critical to the Port's Public Parking operations by expanding the involvement of employees in the management decision-making process.

37.03 The BPC may, for example, look at job enhancements, service levels, work practices, health and safety concerns, increased productivity, training opportunities, and the best practices of other organizations' Public Parking operations.

37.04 The BPC will develop recommendation(s) for action by Port Aviation Operations management on issues related to the mission of the BPC.

37.05 If Port Aviation Operations management cannot support a BPC recommendation, pertinent issues and information will be shared with the BPC.

37.06 To insure that the Business Partnership Committee can effectively carry out its mission, it will enforce the following standards for its members and Port and Union representatives with whom it works:

- There will be open, immediate and candid sharing of all information that affects the Port's Public Parking operations;
- The BPC will be a partnership in both substantive and procedural decisions involving the Port's Public Parking operations;

37.07 The BPC will be made up of one (1) Port manager representing Public Parking and the Port's assigned Labor Relations Manager and one (1) Union employee representative per classification and the Union's assigned Union Representative. Other representatives may be added as needed and agreed upon by the BPC.

37.08 The BPC will not discuss pending grievances or interpret the Agreement. Budget matters and fundamental business decisions may not be appropriate for thorough review by the BPC.

37.09 Unless the Parties mutually agree otherwise, the BPC will meet within thirty (30) days after the execution of this agreement and on a regular basis thereafter to:

- \* Determine BPC roles and responsibilities;
- \* Develop ground rules (which may include ground rules from bargaining); and
- \* Develop and implement a work plan.

37.10 Approved minutes of BPC meetings will be distributed to all employees, management representatives and other Port personnel associated with the Port's Public Parking operations.

37.11 The Port and the Union will commit sufficient resources to the BPC so that it can effectively carry out its mission. Port and Local 117 staff will be available to assist the BPC.

37.12 In consideration of the twenty-four (24) hour nature of the business, BPC meetings will be held during regular business hours and will generally be scheduled within the

hours of member participants. Up to one employee from each classification may be released with pay to attend.

37.13 In line with the BPC's mission, the BPC may change its focus during the term of the Agreement due to changes in the Port's Public Parking operations.

## **ARTICLE 38 - MANAGEMENT RIGHTS**

38.01 The Union recognizes the prerogatives of the Port to operate and manage its affairs in all respects in accordance with its responsibilities and powers of authority.

38.02 The Port reserves any and all exclusive rights concerning the management and operation of the Department, except as specifically limited in this Agreement. In exercise of such exclusive management rights, it is not intended that any other provision of this Agreement providing a specific benefit or perquisite to employees shall be changed, modified, or otherwise affected, without concurrence of the Union.

38.03 Subject to the provisions of this Agreement, the Port reserves the following specific and exclusive management rights:

- a. To recruit, assign, transfer, or promote members to positions within the Department, including the assignment of employees to specific jobs;
- b. To suspend, demote, discharge, or take other disciplinary action against members for just cause;
- c. To determine the keeping of records;
- d. To establish employment qualifications for new employee applicants, to determine the job content and/or job duties of employees, and to execute the combination or consolidation of jobs;
- e. To determine the mission, methods, processes, means, policies, and personnel necessary for providing service and Department operations, including, but not limited to: determining the increase, diminution, or change of operations, in whole or in part, including the introduction of any and all new, improved, automated methods of equipment; and making facility changes;
- f. To control the Departmental budget, and if deemed appropriate by the Port, to implement a reduction in force;
- g. To schedule training, work, and overtime as required in a manner most advantageous to the Department and consistent with requirements of municipal employment and public safety, subject to the provisions of this Agreement;

- h. To establish reasonable work rules, and to modify training;
- i. To approve all employees' vacation and other leaves;
- j. To take whatever actions are necessary in emergencies (including runway incidents, extreme weather, automated system failure, and public safety threats) in order to assure the proper functioning of the Department; and
- k. To manage and operate its Departments, except as may be limited by provisions of this Agreement.

38.04 It is understood by the Parties that every incidental duty connected with operations enumerated in job descriptions is not always specifically described.

### **ARTICLE 39 - LETTERS OF UNDERSTANDING**

By reference herein, the Letters of Understanding/Memorandums of Agreements/Appendices listed below are hereby made part of this Agreement and do not require individual Employer-Union signatures:

- Appendix A – Grievance Form
- Appendix B – Aviation Maintenance Vehicle Fleet—“Telematics”
- Appendix C – Commuter Trip Reduction Benefits

### **ARTICLE 40 - DEMOCRAT, REPUBLICAN, INDEPENDENT VOTER EDUCATION (DRIVE)**

Effective upon ratification and execution of the agreement between the parties, in the event a minimum of fifty (50) current Port of Seattle employees elect to contribute to the Democrat, Republican, Independent Voter Education (DRIVE), the Port agrees to deduct from the paycheck of employees covered by this Agreement voluntary contributions to DRIVE. Deductions must be a minimum of five dollars (\$5.00) per month per contributing employee. Both DRIVE and the employee shall notify the Port of the amount to be deducted on a monthly basis from the employee's paycheck. The Port shall transmit (electronically via ACH) to DRIVE National Headquarters on a monthly basis, in one (1) check the total amount deducted along with the name of each employee on whose behalf a deduction is made, the last four (4) numbers of the employee's social security number and the amount deducted from the employee's paycheck. The Port shall be obligated to honor only an authorization to deduct the amount specified, in writing by the employee. The Port shall have no obligation or responsibility for calculating, computing, or verifying the amount to be deducted.

The International Brotherhood of Teamsters (IBT) Local 117 shall reimburse the Employer annually for the Employer's actual cost for the expenses incurred in administering the bi-weekly payroll deduction plan. The IBT Local 117 further agrees to facilitate timely recoupment or to reimburse the Port for any contributions made to DRIVE in error.

Upon issuance and transmission of a check to DRIVE, the Port's responsibility shall cease with respect to such deductions. The International Brotherhood of Teamsters Local 117 agrees to indemnify and hold the Port harmless from all claims, demands, suits, or other forms of liability that may arise against the Port for or on account of any deduction made from the wages of such employees.

The Port reserves the right to discontinue DRIVE deductions in the event participation drops below the minimum of fifty (50) Port employees.

Both the Port and Local 117 agree to reopen the contract on DRIVE if any other Local 117 bargaining group with the Port of Seattle negotiate contract language with lower minimums on the number of employees required to contribute or the total monthly contribution amount in their respective contract at any time during the term of this Agreement.

**ARTICLE 41 - TERM OF AGREEMENT**

The term of this Agreement shall be June 1, 2023, through May 31, 2026. Effective dates for individual provisions will be as negotiated, herein.

PORT OF SEATTLE

TEAMSTERS LOCAL UNION  
NO. 117/IBT

\_\_\_\_\_  
STEPHEN P. METRUCK  
Executive Director

\_\_\_\_\_  
PAUL DASCHER  
Secretary-Treasurer

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

Appendix A

**GRIEVANCE FORM  
TEAMSTERS LOCAL UNION NO. 117**

COMPANY \_\_\_\_\_ DATE \_\_\_\_\_

Member's Name \_\_\_\_\_ Job Classification \_\_\_\_\_

Member's Address \_\_\_\_\_

Shift \_\_\_\_\_ Home Phone ( \_\_\_\_\_ ) \_\_\_\_\_ Date of Hire \_\_\_\_\_

Cellular Phone ( \_\_\_\_\_ ) \_\_\_\_\_ E-Mail \_\_\_\_\_

TYPE OF GRIEVANCE:  Discharge  Suspension  Seniority  Other (Specify) \_\_\_\_\_

1. Date and time of violation: \_\_\_\_\_

2. Section(s) of contract violated: \_\_\_\_\_

3. Exact location violation occurred: \_\_\_\_\_

4. Name(s) of witnesses: \_\_\_\_\_

5. Name(s) of supervisor(s) involved: \_\_\_\_\_

6. What should be done to correct the grievance: \_\_\_\_\_

Briefly describe what happened: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_ Steward's Signature: \_\_\_\_\_

Supervisor's Response: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Supervisor's Signature: \_\_\_\_\_ Date \_\_\_\_\_

Union - White Employee - Canary Company - Pink



## **Appendix B**

Memorandum of Understanding  
"Telematics"  
By and Between the

PORT OF SEATTLE  
and  
TEAMSTERS LOCAL UNION NO. 117  
AFFILIATED WITH THE NATIONAL BROTHERHOOD OF TEAMSTERS  
Representing Parking Service Revenue Representatives

---

### **Re: Aviation Maintenance Vehicle Fleet--"Telematics"**

This Memorandum of Understanding (MOU), made effective as of the date of execution, is entered into by and between Teamsters Local Union No. 117 (Union) and the Port of Seattle, referred to herein collectively as the Parties.

The parties have met and discussed the installation and intended use of telematics<sup>1</sup> across most, if not all, of the fleet that is maintained by the Aviation Maintenance Department including, but not limited to, Port owned vehicles operated by employees in this bargaining unit.

The parties have agreed as follows:

1. Telematics is primarily intended to provide the Port of Seattle with the tools necessary to achieve the following objectives:
  - Reductions in carbon emissions
  - Reductions in fuel costs
  - Reductions in maintenance events
  - Streamlining maintenance
  - Strategic vehicle/asset dispatching
  - Improved customer service
  - Improvements in both compliance and safety
2. The Parties agree that the Port will not randomly or routinely review the telematics data solely for disciplinary purposes, or as part of targeted surveillance for "fishing."
3. Telematics data relative to an investigation/complaint involving an employee shall be made available to the Union upon request in accordance with the terms and

---

<sup>1</sup> Telematics is a fleet management technology system that provides the Port's fleet management teams with information and data in real time relative to the status, condition, use, and location of the vehicles to which it is installed.

conditions of the Collective Bargaining Agreement (CBA) and/or all relevant laws and/or statutes.

4. Any information gleaned from telematics used to support the Port's position relative to a disciplinary action and/or actions shall only be used in accordance with Article 23.01 of the CBA, Just Cause.

Redline

## Appendix C

**MEMORANDUM OF UNDERSTANDING**  
**By and Between**  
**PORT OF SEATTLE**  
**And**  
**TEAMSTERS LOCAL UNION NO. 117**  
**Affiliated with the**  
**International Brotherhood of Teamsters**  
**Representing Parking Service Revenue Representatives**

---

**Re: Commuter Benefits**

This Memorandum of Understanding (MOU), made effective as of the date of signing, is entered into by and between Teamsters Local Union No. 117 (Union) and the Port of Seattle (Employer), referred to herein collectively as the Parties.

Whereas, the Port establishes and maintains a Commute Trip Reduction (CTR) Program that aligns with the requirements of the State of Washington Commute Trip Reduction Law, and is consistent with the Port Statement of Values to be responsible stewards of community resources and the environment;

Whereas, the Port would like to provide additional benefits aligned with its CTR Program to represented employees;

And whereas, the current Collective Bargaining Agreement between the parties does not include CTR program benefits;

The Parties, agree as follows:

1. All Full time, part-time, on-call, and temporary employees, shall be eligible for the following benefits:
  - a. The One Regional Card for All (“ORCA Card”) Program

The Port offers ORCA cards to eligible employees at a substantially reduced cost for transportation on multiple regional transit systems. Employees who participate in the ORCA card program may also be eligible for additional subsidized transportation services. The availability of the ORCA program, annual cost, potential tax consequences for employees, and other provisions are subject to change based on guidelines provided

by agencies with whom the Port contracts for the ORCA program benefits, IRS requirements, as well as the Port's discretion.

b. Ferry Reimbursement

Employees who use the Washington State Ferry System for all or part of their work commute are eligible for reimbursement of ferry commuting costs up to a monthly maximum. This monthly maximum reimbursement amount is determined by the Port. Amounts and procedures can be found on the Total Rewards Compass Page and may be subject to tax;

2. The Port shall maintain full discretion to modify, change, amend, and/or discontinue either and/or both the ORCA program and the Ferry Reimbursement benefit;
3. Prior to modifying, changing, amending, and/or discontinuing either and/or both the ORCA program and the Ferry Reimbursement benefit, the Port agrees to provide advance notice to the Union;
4. All other terms and conditions of the CBA shall remain in full force and effect. Should any terms and conditions in this MOU conflict with the CBA, this MOU shall control.

Required



**COMMISSION  
AGENDA MEMORANDUM**

**Item No.** 8f

**ACTION ITEM**

**Date of Meeting** July 14, 2026

**DATE:** May 1, 2026

**TO:** Stephen P. Metruck, Executive Director

**FROM:** Sarah Ogier, Director-Maritime Environment & Sustainability  
Joanna Florer, Sr Manager, Environmental Programs  
Roy Kuroiwa, Sr Env. Program Manager, Maritime Environment & Sustainability

**SUBJECT:** **So Park Marina LDW Project–Amended Ecology Agreed Order/Cost Share Agreement**

**Amount of this request:** \$0  
**Total estimated Port share of project cost:** \$200,000

**ACTION REQUESTED**

Request Commission authorization for the Executive Director to (1) Sign an amended Agreed Order with the Washington State Department of Ecology to complete a Feasibility Study and Cleanup Action Plan at the South Park Marina site, and (2) Sign an Addendum to a Potentially Liable Person Cost Sharing Agreement between the Port, South Park Marina owners, and the City of Seattle to share the cost and performance of the scope of work required by the amended Agreed Order.

**EXECUTIVE SUMMARY**

The South Park Marina (SPM) site is adjacent to Port’s Terminal 117 property, now Duwamish River People’s Park. The property is known to have contamination (e.g., heavy metals, polychlorinated biphenyls (PCBs), and petroleum) in soil and groundwater. Washington State Department of Ecology (Ecology) is requiring three parties – South Park Marina owners, the Port, and the City of Seattle to jointly perform a cleanup of the property. The first phase of the cleanup, the remedial investigation (RI), was performed under a 2020 Agreed Order (AO). This Amended AO is to perform the subsequent steps to an RI – the Feasibility Study (FS) and Cleanup Action Plan (CAP).

The Port is a Potentially Liable Person (PLP) at the SPM site in part based on historic ownership of a small, upland parcel between 1959 and 1970 that is now part of the current SPM property. On that parcel, the A&B Barrel Company operated as a drum reconditioning business between

Meeting Date: July 14, 2026

1946 and 1961. The City is a PLP based on its connection to PCB disposal and track-out from the adjacent Terminal 117 property. South Park Marina is a PLP based on its ownership and operation of the marina. South Park Marina has operated at this location since the 1950s.

The three PLP parties agreed to share responsibility to perform the requirements of the 2020 Ecology AO and each to pay an equal amount, or 33%, toward the cost of the scope of work, on a preliminary basis subject to later reallocation. The proposed Addendum to the parties' cost sharing agreement extends that arrangement to cover the next phase of work for the FS and CAP. Final allocation of costs will likely be determined after completing the FS and CAP. The City of Seattle will procure the environmental consulting firm to perform the work using their public procurement process and will hold the contract with the consultant. All invoices and payables will be handled by the City and the appropriate portion reimbursed by the South Park Marina and the Port.

Although funding is not included for this request, the Port's cost share to complete the FS and CAP is estimated to be \$200,000. Spending for this work was included and approved in the 2026 – 2031 Environmental Remediation Liability (ERL) Program authorization, which is funded through the Environmental Liability Fund (ELF) via the tax levy.

### **JUSTIFICATION**

The Ecology amended AO is a binding agreement to prepare an FS and CAP documents by the PLPs – the Port, City of Seattle, and the South Park Marina. The project will formally initiate the process of determining upland site cleanup or source control efforts at the SPM site to meet EPA and Ecology's source control requirements as related to the larger Lower Duwamish Waterway Superfund Site. The project will also help identify who (Port, City, or South Park Marina) has responsibility for the follow-on work and will help inform a future process to determine the relative shares of cleanup liability.

### ***Diversity in Contracting***

The City will contract for these professional services, and their contract includes an WMBE Inclusion Plan that requires the maximum practicable opportunity for successful participation of minority and women-owned subcontracts (WMBE).

### **DETAILS**

The Statement of Work (SOW) detailed in Ecology's amended AO requires that the PLPs perform an FS and CAP for the project site. The FS evaluates and presents to Ecology a range of cleanup alternatives from which Ecology will choose their preferred alternative. The CAP details the design criteria and implementation approach of the preferred alternative. Implementation of the cleanup construction outlined in the CAP will be performed under a future agreement.

Meeting Date: July 14, 2026

***Scope of Work***

The order SOW will be performed by a professional consulting firm hired jointly by the three PLPs (Port, City, and South Park Marina). As detailed in Exhibit B of the amended AO, the SOW is divided into four major tasks:

- (1) Task 1 – prepare a Feasibility Study (FS)
- (2) Task 2 – prepare a draft Cleanup Action Plan (CAP)
- (3) Task 3 – perform State Environmental Policy Act (SEPA) Compliance
- (4) Task 4 – support Public Participation steps

***Schedule***

The schedule of the required work is presented in the Ecology order is as follows:

Commission authorization to sign Ecology Amended Agreed Order	Q3 – 2026
Prepare and submit a draft FS	135 days following the notice to proceed for a consultant to perform the SOW
Prepare and submit a draft CAP	135 days following Ecology approval of the Final RI and FS Reports
SEPA Compliance and Public Participation	Performed concurrently with FS and CAP

***Cost Breakdown***

Feasibility Study Report	\$250,000
Cleanup Action Plan	\$150,000
Public Participation	\$50,000
Agency Fees	\$150,000
<b>Total Project Costs:</b>	<b>\$600,000</b>
<b>Port Share (subject to reallocation):</b>	<b>\$200,000</b>

**ALTERNATIVES AND IMPLICATIONS CONSIDERED**

**Alternative 1 – Do Not Authorize to Sign the Ecology Amended Order**

Cost Implications: Not signing the Ecology Agreed Order Amendment may result in the issuance of an enforcement order by Ecology, or Ecology may elect to perform this work itself. This would result in the State recovering the cost of the work from the Port, increasing the Port’s estimated costs by 1.5 to 3 times.

Pros:

- (1) May delay the Port’s spending by a year or more while Ecology prepares the enforcement order.

Meeting Date: July 14, 2026

- (2) May delay the work and costs while Ecology has to contract and perform the work itself, then compels the Port to reimburse Ecology for the costs.

Cons:

- (1) Increased legal and staff time and efforts to respond to an enforcement order and provide ancillary support to Ecology to carry out the enforcement order (gain access to the site, etc.)
- (2) The ultimate costs of the work will be much higher if Ecology elects to perform the work itself.
- (3) Not performing this work could tarnish the Port’s reputation with Ecology and the community as having a commitment to public health and being a steward of community resources and the environment.

*This is not the recommended alternative.*

**Alternative 2 – Authorize to Sign the Ecology Amended Agreed Order and begin the required Statement of Work**

Cost Implications: Total project costs are estimated at \$600,000, which includes a 30% contingency to account for additional work due to changing site conditions or requirements by Ecology. The Port’s preliminary share that it will reimburse the City is 1/3 or \$200,000, subject to reallocation at a future date.

Pros:

- (1) Complies with the Order and furthers the Port’s collaborative working relationship with Ecology.
- (2) Takes the next step leading to South Park Marina’s cleanup and long-term protection of human health and the environment.
- (3) Demonstrates the Port’s value of being responsible stewards of community resources and the environment.

Cons:

- (1) None.

*This is the recommended alternative.*

**FINANCIAL IMPLICATIONS**

There is no funding request as part of this authorization. Funding for the associated scope of work is from Environmental Liability Fund and spending was approved in the annual Environmental Remedial Liability (ERL) authorization (11/5/2025). Further, all project costs except PLP organization staff and technical support costs will be shared equally between the City, Port, and Marina. Certain costs may also be eligible for recovery through grants, insurance, or other PLPs.

Meeting Date: July 14, 2026

**Cost Estimate/Authorization Summary**

	Capital	Expense	Total
<b>COST ESTIMATE</b>			
Original estimate (Port share)	\$0	\$200,000	\$200,000
<b>AUTHORIZATION</b>			
Previous authorizations	0	0	0
Current request for authorization	0	0	0
Total authorizations, including this request	0	0	0
Remaining amount to be authorized	\$0	\$0	\$0

**ATTACHMENTS TO THIS REQUEST**

- (1) South Park Marina Amended Agreed Order
- (2) Addendum to Common Interest and Cost Sharing Agreement with the City and Marina

**PREVIOUS COMMISSION ACTIONS OR BRIEFINGS**

November 11, 2025 – Consent Item 8g. The Commission authorized the Environmental Remediation Liability (ERL) Programs fund for 2026 and approved a five-year spending plan for 2026 – 2031.

February 26, 2019 – The Commission authorized the signing of: (1) an Ecology Agreed Order for Environmental Investigations at the South Park Marina site; and (2) Cost Sharing Agreement between the responsible parties (Port and City of Seattle and Marina owners).

**STATE OF WASHINGTON  
DEPARTMENT OF ECOLOGY**

In the Matter of Remedial Action by:

South Park Marina, LP; the Port of Seattle, and  
the City of Seattle

FIRST AMENDMENT  
TO AGREED ORDER

No. DE 16185

TO: Guy Crow, Agent  
South Park Marina Limited Partnership  
8604 Dallas Ave. S  
Seattle, WA 98101

Stephen P. Metruck  
Executive Director  
Port of Seattle  
P.O. Box 1209  
Seattle, WA 98121-1209

Katie Wilson  
Mayor  
City of Seattle  
600 4<sup>th</sup> Ave., Floor 7  
Seattle, WA 98104

**I. INTRODUCTION**

Agreed Order No. DE 16185 (Agreed Order), entered into by the State of Washington, Department of Ecology (Ecology), South Park Marina Limited Partnership (South Park Marina), the Port of Seattle (Port) and the City of Seattle (City) on April 3, 2019, required that South Park Marina, the Port and the City (hereinafter collectively referred to as “PLPs”) conduct a Remedial Investigation (RI). Having satisfied the Agreed Order’s requirement to perform an RI and produce a fully compliant RI report, this Agreed Order Amendment (First Amendment) is now executed to perform a Feasibility Study (FS) and prepare a Draft Cleanup Action Plan (DCAP) to select a cleanup alternative.

Ecology and the PLPs hereby stipulate to the execution of this First Amendment of the Order. By this First Amendment to the Order, the Scope of Work (SOW) and Schedule (Exhibit

}

B) of the original Order is deemed to be complete and is supplemented by the attached Scope of Work and Schedule of Deliverables (Exhibit C).

## II. JURISDICTION

This First Amendment to Agreed Order No. DE 16185 is issued pursuant to the authority of the Model Toxics Control Act (MTCA), RCW 70A.305.050(1).

## III. AMENDMENT

This First Amendment does not attempt to recite all of the provisions of the Order. Provisions of the Order not specifically changed in this amendment remain in full force and effect. This First Amendment will be the subject of public notice and comment under WAC 173-340-600.

Agreed Order No. DE 16185 is hereby amended as follows:

- A. The Order is hereby amended to add Exhibit C, attached hereto. Exhibit C is now an integral and enforceable part of the Order. All references to Exhibit B in the amended Order shall be construed as references to include Exhibit C.**
- B. Work to be performed, Section VII.A is amended to add the following:**
  - 1. PLPs will conduct a Feasibility Study (FS) and prepare a Draft Cleanup Action Plan (DCAP) in accordance with Scope of Work and Schedule of Deliverables (Exhibit C) and all other requirements of this Order.**
- C. The Project Coordinator for Ecology is Priscilla Tomlinson.**

//  
//  
//  
//  
//  
//  
//  
//  
//  
}

Effective date of this Amendment: \_\_\_\_\_

SOUTH PARK MARINA  
LIMITED PARTNERSHIP

STATE OF WASHINGTON  
DEPARTMENT OF ECOLOGY

\_\_\_\_\_  
GUY CROW  
Agent

\_\_\_\_\_  
KIM WOOTEN  
Regional Manager  
Northwest Regional Office  
Toxics Cleanup Program

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_

PORT OF SEATTLE

CITY OF SEATTLE

\_\_\_\_\_  
STEPHEN P. METRUCK  
Executive Director

\_\_\_\_\_  
KATIE WILSON  
Mayor

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_

}

**ADDENDUM TO COMMON INTEREST AND COST-SHARING AGREEMENT  
BY AND BETWEEN THE PORT OF SEATTLE, THE CITY OF SEATTLE, AND SOUTH  
PARK MARINA, L.P.**

This Addendum modifies the Common Interest and Cost-Sharing Agreement entered into by and between the Port of Seattle, the City of Seattle and South Park Marina, L.P., on September 1, 2018 (“Cost-Sharing Agreement”) only as specified herein. Except as modified, the Cost-Sharing Agreement remains in full force and effect as originally written.

Accordingly, the Port of Seattle, the City of Seattle, and South Park Marina, L.P. (“the Parties”) hereby agree that the following revisions shall be part of the Cost-Sharing Agreement:

First, as a new sixth Recital:

.....

WHEREAS, Ecology has asked the Parties to execute an amendment to the existing Agreed Order (“Amended Order”) that requires the Parties to prepare a Feasibility Study (“FS”) and Draft Cleanup Action Plan (“DCAP”) to address Site Contamination (“FS/DCAP Work”), and the Parties desire to share the costs of performing FS/DCAP Work on the same terms as they performed the RI Work and to treat such costs as Shared Costs; and

Second, all references to “RI Work” in the Cost-Sharing Agreement shall henceforth be deleted and replaced by: “RI Work and FS/DCAP Work,” and

Third, all references to “Order” in the Cost-Sharing Agreement shall henceforth be deleted and replaced by: “Order (as amended),” and

Fourth, Section 17 (“Notices”) is hereby amended to replace Thomas A. Newlon, as a Port of Seattle contact, with:

James T. Graves  
Graves Environmental Law PLLC  
4736 NE 187th Place  
Lake Forest Park, WA 98155  
Phone: (206) 889-2330  
E-mail: james@gravesenvirolaw.com;

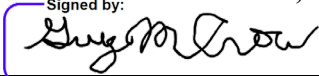
and to replace Tad Shimazu, as a City of Seattle contact, with:

Megan Joplin  
Assistant City Attorney  
Seattle City Attorney's Office  
701 Fifth Ave., Suite 2050  
Seattle, WA 98104-7097  
Phone: (206) 615-0885  
E-mail: Megan.Joplin@seattle.gov

The Parties agree that this Addendum to the Cost-Sharing Agreement may be executed by electronic signature. The Parties further agree that this Addendum constitutes and henceforth shall be presented as an integral part of the Cost-Sharing Agreement, effective as of the date last signed.

IN WITNESS WHEREOF, the Parties below have executed this Addendum to the Cost-Sharing Agreement:

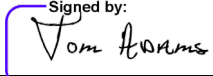
**SOUTH PARK MARINA, L.P.**

Signed by:  
  
3830C2B30C7A437  
Guy Crow, General Partner

Date: 6/15/2026

\_\_\_\_\_

**OGDEN MURPHY WALLACE**

Signed by:  
  
B8CB8EF08BF9458  
Thomas D. Adams, Member  
(Counsel for South Park Marina)

Date: 6/8/2026

\_\_\_\_\_

**CITY OF SEATTLE**

\_\_\_\_\_  
Jason Hamilton  
Seattle City Light  
Manager, Environmental Management &  
Compliance

Date: \_\_\_\_\_

**CITY OF SEATTLE**

\_\_\_\_\_  
Megan Joplin  
Assistant City Attorney

Date: \_\_\_\_\_

**PORT OF SEATTLE**

\_\_\_\_\_  
Stephen Metruck, Executive Director

Date: \_\_\_\_\_

**PORT OF SEATTLE**

\_\_\_\_\_  
Elizabeth Black, Deputy General Counsel

Date: \_\_\_\_\_





**COMMISSION  
AGENDA MEMORANDUM**

**Item No.** 8g

**ACTION ITEM**

**Date of Meeting** July 14, 2026

**DATE:** June 4, 2026

**TO:** Stephen P. Metruck, Executive Director

**FROM:** Chris Wimsatt, Chief Financial Officer  
Scott Bertram, Manager, Corporate Finance  
Angie Rose, Principal Financial Analyst, Corporate Finance

**SUBJECT: Adoption of Resolution No. 3851 – Issuance and Sale of Subordinate Lien Revenue Bonds in the Aggregate Principal Amount of Not-to-Exceed \$400,000,000.**

**ACTION REQUESTED**

Adoption of Resolution No. 3851: A Resolution of the Port Commission of the Port of Seattle authorizing the issuance and sale of Subordinate Lien Revenue Bonds, Series 2026A and 2026B in the aggregate principal amount of not to exceed \$400,000,000 (the “Bonds”), for the purposes of financing or refinancing capital improvements to aviation facilities; setting forth certain bond terms and covenants; and delegating authority to approve final terms and conditions and the sale of the Bonds.

**EXECUTIVE SUMMARY**

Commission authorization is requested to issue the Bonds in an amount not-to-exceed \$400,000,000 to fund the costs of capital improvements at the Airport and to refinance commercial paper (“CP”) issued in 2025 to acquire the International Place facility.

**JUSTIFICATION**

The 2026-2030 Plan of Finance estimated future revenue bond needs of \$2.4 billion to help pay for the Airport’s ~\$3.8 billion capital improvement plan over the next five years; the Bonds will fund approximately \$225.0 million of those Airport project costs. Some of the major projects that may be funded, in part, with this bond issuance include S Concourse Evolution, Baggage Optimization, Airfield Pavement, SEA Gateway Project, Main Terminal Infrastructure, and Industrial Waste Treatment Plant (IWTP) Program along with various other Airport improvements; a list of projects currently identified for potential Bond funding is provided in Exhibit A. If project spending is delayed or if other funding sources are available, e.g., federal grants, the proceeds from the Bonds may be redirected to other projects within the limits established by the federal tax code. No Bond proceeds or other funds can be spent on any project without the appropriate project authorization.

Meeting Date: July 14, 2026

In February 2025, the Port issued \$120.0 million of Commercial Paper (CP) to finance the acquisition of the International Place office complex. The \$120.0 million is currently outstanding and staff recommends refinancing that CP with the Bonds, which will free up the CP facility to fund airport projects as needed.

### **BACKGROUND**

The Port’s current revenue bond debt structure includes three liens of revenue bonds that have been used to fund a significant portion of the organization’s capital needs over the past 30 years. These liens include the First Lien, Intermediate Lien, and Subordinate Lien. Recent debt issuances have occurred on the First and Intermediate Liens, issued pursuant to their respective lien Master Resolutions; until recently, there was no Master Resolution of the Subordinate Lien and the Port had not issued on the Subordinate Lien since 2008.

On April 14, 2026, the Commission adopted Resolution No. 3845, the Subordinate Lien Master Resolution, to modernize its Subordinate Lien debt structure by creating a Master Resolution and to update certain security provisions to current market standards. The resolution also provided the Port with some added flexibility in managing current and future Subordinate Lien debt and included a new aggregate debt service coverage calculation.

The Subordinate Lien, established in 1992, has been used primarily for the issuance of variable rate debt. Unlike most of the Port’s debt, which has fixed interest rates, variable debt has interest rates that are set (or reset) at predetermined dates based on prevailing market conditions. Variable rate debt is typically backed by bank-provided letters of credit, which means investors are, in effect, buying the banks’ credit rather than the Port’s and have the banks’ guarantee of payment.

The Port’s debt management policy limits the total amount of variable rate debt to no more than 25% of total Port debt. Currently, less than 5% of the Port’s total debt portfolio has variable interest rates and as such, Port staff recommends adding variable rate debt exposure at this time.

Variable rate obligations provide certain benefits compared to fixed rate bonds:

### **Benefits**

- **Lower rates.** Variable interest rates tend to be lower on average than long-term fixed interest rates. During the Great Recession and Pandemic, long-term interest rates were historically low and the Port used the opportunity to lock-in low fixed rates. Now that long-term interest rates have risen, the Port can achieve lower cost of debt by increasing its utilization of variable rate bonds and notes.
- **Flexible repayment terms.** An additional benefit of the variable rate bonds are the flexible repayment terms. The Port has typically chosen to amortize its variable rate debt to avoid a large principal payment(s) in the final years, but the Port has also paused principal

Meeting Date: July 14, 2026

payments during times of stress. For example, during the pandemic, the Port paused principal payments temporarily, which reduced the debt service charged to the airlines.

Variable rate obligations do carry certain risks. The Port has safeguards to manage these risks and expects to continue to issue primarily fixed rate bonds while increasing its exposure to variable rate debt.

### Risks

- **Interest rate risk.** Increases in rates can add to the Port's variable rate debt service (interest) costs. However, those increases in rates would also apply to the Port's investment portfolio, which would result in higher interest earnings.
- **Remarketing risk.** There are different types of variable rate debt but the Port has typically issued variable rate demand bonds (VRDBs) backed by a letter of credit from a bank. The interest rate on VRDBs resets regularly (for example, daily or weekly) through a remarketing process where the remarketing agent sets the interest rate at the lowest level needed to successfully remarket the bonds (i.e. the level where there is sufficient investor demand). There is a risk of remarketing failure when there is not sufficient investor demand for all the bonds. Such a failure last occurred during the Great Recession.

In the event of a failed remarketing, the letter of credit bank purchases the bonds and the Port pays the bank a predetermined rate of interest until the bonds can be successfully remarketed. The Port has carefully negotiated agreements with its letter of credit banks to provide time to cure the problem before the Port needs to repay the bonds.

**Note:** Direct bank loans, as opposed to VRDBs, are executed through a private placement and not the public markets. This means potentially faster execution, as well as less regulatory and compliance requirements. Bank loans typically result in a moderately higher variable interest cost than can be achieved in the public market but have lower issuance and ongoing costs. Bank loans also do not create remarketing risks to the Port that otherwise exist with public market variable rate products.

Meeting Date: July 14, 2026

### **DETAILS**

The Bonds are being issued pursuant to the Subordinate Lien Master Resolution No. 3845 and this Resolution No. 3851. Port staff expects to issue the Bonds with variable interest rates, in the following manner:

- ***Variable rate demand bonds (VRDBs) - \$225.0 million***

Proceeds will be used to fund approximately \$225.0 million of on-going Airport capital project costs. As noted above, some of the major projects to be funded, in part, with this bond issuance include S Concourse Evolution, Baggage Optimization, Airfield Pavement, SEA Gateway Project, Main Terminal Infrastructure, and Industrial Waste Treatment Plant (IWTP) Program along with various other Airport improvements; a list of projects currently identified for potential Bond funding is provided in Exhibit A.

The Port has secured a \$225.0 standby letter of credit from Bank of America, who was selected as part of a competitive RFP process. Interest rates on the VRDBs will be reset daily or weekly based on a market clearing rate.

The VRDBs are expected to be issued as private activity bonds, interest earnings upon which are exempt from regular income tax but subject to the Alternative Minimum Tax (AMT) to investors. This is the most common type of tax-exempt bond that the Port issues because it allows the Port to lease facilities to airport and seaport tenants.

- ***Direct bank loan - \$120.0 million***

Proceeds of the \$120.0 direct bank loan (also known as bank placement or direct purchase) come from Wells Fargo, who was also selected as part of a competitive RFP process. Proceeds of the loan will be used to pay down the \$120.0 million of outstanding CP that was issued to finance the acquisition of the International Place office complex. This will, in turn, free up the CP facility to fund other Port (primarily airport) project spending, as needed, in advance of a potentially larger bond issuance in 2027. The Port's CP facility is meant to serve primarily as an interim financing source only and the Port will use this bank loan as the longer-term funding source.

The loan is expected to have an initial term of 5 years, and interest on the loan will be calculated based on the Secured Overnight Financing Rate ("SOFR") plus a spread. The loan is expected to be treated as taxable debt, subject to federal income tax.

Resolution No. 3851 delegates to the Port's Executive Director the authority to approve final interest rates (or in this case the method of establishing interest rates since they are variable in nature), maturity dates, aggregate principal amounts, principal maturities and redemption rights. Commission parameters that limit the delegation include a maximum principal amount for the

Meeting Date: July 14, 2026

Bonds, final maturity, and expiration date for the delegated authority. If the Bonds cannot be sold within these parameters, further Commission action would be required.

Recommended delegation parameters include:

Maximum size:	\$400,000,000
Final Maturity:	not later than 40 years after issuance
Expiration of Delegation of Authority:	July 14, 2027

Upon adoption, Resolution No. 3851 will authorize the Designated Port Representative (the Executive Director, the Deputy Executive Director, the Chief Financial Officer or their designees) to execute various agreements required for the sale and issuance of the Bonds, including: (1) the bond purchase agreement for the VRDBs; (2) the direct purchase agreement for the direct bank loan; (3) the remarketing agent agreement for the VRDBs; (4) the mode agreements setting forth the manner of determining the interest rates on the Bonds; and (5) the letter of credit and bank reimbursement agreement for the VRDBs.

The VRDBs will be sold through negotiated sale to Goldman Sachs & Co. LLC, who will serve as the remarketing agent. Piper Sandler & Co. is serving as Municipal Advisor and Pacifica Law Group LLP is serving as bond and disclosure counsel on both the VRDBs and the direct bank loan.

**ATTACHMENTS TO THIS REQUEST**

- (1) Draft Resolution No. 3851
- (2) Presentation

**PREVIOUS COMMISSION ACTIONS OR BRIEFINGS**

- October 28, 2025 – The Commission was briefed on the 2026-2030 draft plan of finance.
- April 14, 2026 – The Commission adopted Resolution No. 3845 – Subordinate Lien Master Resolution
- June 23, 2026 – The Commission was briefed on the introduction of Resolution No. 3851 authorizing the issuance and sale of Subordinate Lien Revenue Bonds, Series 2026A and 2026B

Meeting Date: July 14, 2026

**Exhibit A - Project List**

South Concourse Evolution (SCE)  
Checked Baggage Optimization  
International Place office complex (STOC)  
2021-2025 Airfield Pavement  
2026-2030 Airfield Pavement  
Industrial Wastewater Treatment Plant (IWTP) Program  
Post IAF Airline Realignment  
Concourse A Expansion  
North Main Terminal Redevelopment (SEA Gateway Project)  
Utility Meter Networking  
Upgrade Satellite Train System (STS) Control  
400Hz Replacement at Concourse C & D  
1947 Water Main Improvement - DBB  
Concourse A Duty Free  
Concourse Modernization (*previously Concourse HVAC Infrastructure Renewal Replacement*)  
Ramp Tower Visibility Restoration  
Public Access Distributed Antenna System (DAS) Upgrade  
Perimeter Intrusion Detect System  
Parking Garage Low Voltage System  
Main Terminal Infrastructure  
Building 161E Retro Commission (*previously Building 161E Renovation and Systems Retrofit*)  
Snow Storage Expansion  
Apartment Sound Insulation  
Deaerator (DA) and Condensate System Upgrades  
STS Replacement  
Widen Arrivals Roadway  
Fast Fleet EV Charging  
North Employee Parking Lot Improvements (NEPL) Improvements  
Preconditioned Air-Handling Unit (PC AHU) Replacement  
Concourse Low Voltage Upgrades

RESOLUTION NO. 3851

A RESOLUTION of the Port of Seattle Commission authorizing the issuance and sale of subordinate lien revenue bonds in one or more series in the aggregate principal amount of not to exceed \$400,000,000, for the purpose of financing or refinancing capital improvements to port facilities; setting forth certain bond terms and covenants; and delegating authority to approve final terms and conditions and the sale of the bonds.

Prepared by:

PACIFICA LAW GROUP LLP  
Seattle, Washington

Adopted: July 14, 2026

PORT OF SEATTLE  
RESOLUTION NO. 3851  
TABLE OF CONTENTS

Page

ARTICLE I DEFINITIONS; INTERPRETATION

Section 1.01. <u>Definitions</u> .....	4
Section 1.02. <u>Interpretation</u> .....	9

ARTICLE II ISSUANCE, CONDITIONS AND TERMS OF BONDS

Section 2.01. <u>Plan of Finance; Parity Conditions Met</u> .....	10
Section 2.02. <u>Authorization and Description of Bonds</u> .....	11
Section 2.03. <u>Execution</u> .....	11
Section 2.04. <u>Authentication</u> .....	12
Section 2.05. <u>Registration, Transfer and Exchange</u> .....	12
Section 2.06. <u>Destroyed, Lost or Stolen Bonds</u> .....	17
Section 2.07. <u>Form of Bonds</u> .....	17
Section 2.08. <u>Defeasance</u> .....	18

ARTICLE III REDEMPTION OF BONDS

Section 3.01. <u>Mandatory Redemption</u> .....	19
Section 3.02. <u>Optional Redemption</u> .....	19
Section 3.03. <u>Selection of Bonds for Redemption</u> .....	19
Section 3.04. <u>Notice of Redemption</u> .....	20
Section 3.05. <u>Effect of Redemption</u> .....	20
Section 3.06. <u>Purchase of Bonds by Port</u> .....	20

ARTICLE IV USE OF PROCEEDS

Section 4.01. <u>Use of Moneys in Subordinate Lien Bond Fund</u> .....	21
Section 4.02. <u>Enforcement of Rights</u> .....	21
Section 4.03. <u>Use of Bond Proceeds</u> .....	21
Section 4.04. <u>Tax Covenants</u> .....	22

ARTICLE VI SALE AND REMARKETING OF BONDS

Section 5.01. <u>Sale of Bonds</u> .....	25
Section 5.02. <u>Approval of Official Statement</u> .....	29
Section 5.03. <u>Undertaking to Provide Ongoing Disclosure</u> .....	30
Section 5.04. <u>General Authorization</u> .....	30

ARTICLE VI MISCELLANEOUS

Section 6.01. <u>Contract; Severability</u> .....	30
Section 6.02. <u>Notices to Rating Agencies</u> .....	30
Section 6.03. <u>Immediate Effect</u> .....	31

RESOLUTION NO. 3851

A RESOLUTION of the Port of Seattle Commission authorizing the issuance and sale of subordinate lien revenue bonds in one or more series in the aggregate principal amount of not to exceed \$400,000,000, for the purpose of financing or refinancing capital improvements to port facilities; setting forth certain bond terms and covenants; and delegating authority to approve final terms and conditions and the sale of the bonds.

WHEREAS, the Port of Seattle (the “Port”), a municipal corporation of the State of Washington, owns and operates a system of marine terminals and properties and Seattle-Tacoma International Airport; and

WHEREAS, the Port has authorized the issuance of revenue bonds in one or more series pursuant to Resolution No. 3059, as amended, of the Commission, adopted on February 2, 1990, as most recently amended and restated by Resolution No. 3577 of the Commission adopted on February 27, 2007 (collectively, the “First Lien Master Resolution”), each series being payable from the Net Revenues (as such term is defined in the First Lien Master Resolution); and

WHEREAS, the Port currently has outstanding four series of first lien revenue bonds pursuant to the First Lien Master Resolution, as follows:

<u>Authorizing Resolution Number</u>	<u>Date of Original Issue</u>	<u>Series</u>	<u>Original Principal Amount</u>	<u>Principal Amount Outstanding (as of 07/02/2026)</u>	<u>Final Maturity Date</u>
3619	07/16/2009	(B-2)	\$ 22,000,326 <sup>(1)</sup>	\$ 45,005,499 <sup>(1)</sup>	05/01/2031
3721	08/02/2016	(B)	124,380,000	75,660,000	10/01/2032
3721	08/02/2016	(C)	6,180,000	3,395,000	10/01/2032
3787	06/30/2021		43,015,000	9,540,000	09/01/2026
				<u>\$133,600,499</u>	

<sup>(1)</sup> Series 2009B-2 Bonds are capital appreciation bonds; total principal amount outstanding includes accreted interest of \$31,888,018 through July 2, 2026.

(the “Outstanding First Lien Parity Bonds”); and

WHEREAS, the Port has authorized the issuance of intermediate lien revenue bonds having a lien on Net Revenues subordinate to the lien thereon of the Outstanding First Lien Parity Bonds in one or more series pursuant to Resolution No. 3540, as amended, adopted on June 14, 2005 (the “Intermediate Lien Master Resolution”); and

WHEREAS, the Port currently has outstanding 21 series of intermediate lien revenue bonds pursuant to the Intermediate Lien Master Resolution, as follows:

Authorizing Resolution Number	Date of Original Issue	Series	Original Principal Amount	Principal Amount Outstanding (As of 07/02/2026)	Final Maturity Date
3709	08/06/2015	(C)	\$226,275,000	\$ 156,450,000	04/01/2040
3722	08/02/2016		99,095,000	69,290,000	02/01/2030
3735	08/22/2017	(A)	16,705,000	16,705,000	05/01/2028
3735	08/22/2017	(B)	264,925,000	157,605,000	05/01/2036
3735	08/22/2017	(C)	313,305,000	251,670,000	05/01/2042
3735	08/22/2017	(D)	93,230,000	12,210,000	05/01/2027
3749	06/21/2018	(A)	470,495,000	390,700,000	05/01/2043
3749	06/21/2018	(B)	85,145,000	22,020,000	05/01/2028
3758	08/07/2019		457,390,000	393,055,000	04/01/2044
3786	06/30/2021	(A)	47,025,000	9,430,000	12/01/2030
3786	06/30/2021	(B)	148,765,000	121,865,000	06/01/2040
3786	06/30/2021	(C)	514,390,000	443,015,000	08/01/2046
3786	06/30/2021	(D)	41,395,000	31,490,000	08/01/2031
3801	08/11/2022	(A)	206,200,000	190,155,000	08/01/2033
3801	08/11/2022	(B)	585,930,000	537,495,000	08/01/2047
3801	08/11/2022	(C)	70,435,000	34,975,000	08/01/2032
3826	08/15/2024	(A)	168,975,000	148,035,000	03/01/2040
3826	08/15/2024	(B)	648,940,000	614,505,000	07/01/2049
3837	08/21/2025	(A)	74,235,000	74,235,000	10/01/2050
3837	08/21/2025	(B)	650,460,000	650,460,000	10/01/2050
3837	08/21/2025	(C)	22,550,000	22,550,000	09/01/2032
				\$4,347,915,000	

(the “Outstanding Intermediate Lien Parity Bonds”); and

WHEREAS, the Port has issued and currently has outstanding two series of subordinate lien revenue bonds, as follows:

Authorizing Resolution Number	Date of Original Issue	Original Principal Amount	Principal Amount Outstanding (07/02/2026)	Final Maturity Date
3456 <sup>(1)</sup>	(CP)	\$ 400,000,000	\$120,000,000	06/01/2051
3598 <sup>(2)</sup>	06/17/2008	200,715,000	110,335,000	07/01/2033
			<u>\$230,335,000</u>	

<sup>(1)</sup> As amended by Resolution No. 3777, adopted on September 22, 2020, and Resolution No. 3846, adopted on April 14, 2026.

<sup>(2)</sup> As amended by Resolution No. 3847, adopted on April 14, 2026.

(the “Outstanding Subordinate Lien Parity Bonds”); and

WHEREAS, pursuant to Resolution No. 3845, adopted on April 14, 2026 (the “Subordinate Lien Master Resolution”), the Port has authorized the issuance of Subordinate Lien Parity Bonds on a parity with the Outstanding Subordinate Lien Parity Bonds under the terms and conditions set forth in the Subordinate Lien Master Resolution; and

WHEREAS, pursuant to Sections 2 and 4 of the Subordinate Lien Master Resolution, the Port may issue from time to time one or more series of Subordinate Lien Parity Bonds by means of a Series Resolution (as defined in the Subordinate Lien Master Resolution) for Port purposes; and

WHEREAS, the Port has determined that the requirements for issuing Subordinate Lien Parity Bonds set forth in Sections 2 and 4 of the Subordinate Lien Master Resolution will be met; and

WHEREAS, pursuant to RCW 53.40.030, the Commission may delegate authority to the Executive Director of the Port to approve interest rates (or method of establishing interest rates),

maturity dates, redemption rights, interest payment dates, and principal maturities under such terms and conditions as are approved by Series Resolution; and

WHEREAS, the Port has provided notice of and held a public hearing on the issuance of Subordinate Lien Parity Bonds as required by Section 147(f) of the Internal Revenue Code, as amended; and

WHEREAS, it is deemed necessary and desirable that one or more series of Subordinate Lien Parity Bonds be issued and sold as herein provided;

NOW, THEREFORE, BE IT RESOLVED BY THE PORT COMMISSION OF THE PORT OF SEATTLE, WASHINGTON, as follows:

## ARTICLE I.

### DEFINITIONS; INTERPRETATION

**Section 1.01. Definitions.** Capitalized terms contained in this resolution have the meanings set forth in the Subordinate Lien Master Resolution. Unless the context otherwise requires, the following additional terms shall have the following meanings:

***Beneficial Owner*** means, with respect to a Bond, the owner of the beneficial interest in that Bond.

***Bond* or *Bonds*** means any Series of Port of Seattle, Subordinate Lien Revenue Bonds, Series 2026.

***Bond Purchase Agreement*** means any purchase contract relating to one or more Series of Bonds between the Port and the Underwriter.

***Bond Register*** means the registration books maintained by the Registrar for purposes of identifying ownership of the Bonds.

***Closing Date*** means the date of initial issuance and delivery of the Bonds.

**Code** means the Internal Revenue Code of 1986 as in effect on the date of issuance of the Tax-Exempt Bonds or (except as otherwise referenced herein) as it may be amended to apply to obligations issued on the date of issuance of the Tax-Exempt Bonds, together with applicable proposed, temporary and final regulations promulgated, and applicable official public guidance published, under the Code.

**Continuing Disclosure Certificate** means the written undertaking for the benefit of the owners and Beneficial Owners of the Bonds, as required by Section (b)(5) of the Rule.

**Direct Purchase Agreement** means one or more loan, purchase, or continuing covenant agreements, if any, between the Port and a Direct Purchaser under which the Direct Purchaser will make a loan to the Port evidenced by a Direct Purchase Bond, or under which the Direct Purchaser will purchase the Direct Purchase Bond.

**Direct Purchase Bonds** means any one or more Series of Bonds sold to a Direct Purchaser pursuant to Section 5.01 of this Series Resolution.

**Direct Purchaser** means any bank, other financial institution, governmental entity or other purchaser selected to purchase (or to accept delivery of) one or more Direct Purchase Bonds, including to evidence the Port's obligations under a Direct Purchase Agreement, pursuant to Section 5.01 of this Series Resolution.

**DTC** means The Depository Trust Company, New York, New York as depository for the Bonds, or any successor or substitute depository for the Bonds.

**Fair Market Value** means the price at which a willing buyer would purchase an investment from a willing seller in a bona fide, arm's-length transaction, except for specified investments as described in Treasury Regulation § 1.148-5(d)(6), including United States Treasury obligations, certificates of deposit, guaranteed investment contracts, and investments for yield restricted

defeasance escrows. Fair Market Value is generally determined on the date on which a contract to purchase or sell an investment becomes binding, and, to the extent required by the applicable regulations under the Code, the term “investment” will include a hedge.

**Federal Tax Certificate** means the certificate executed by the Designated Port Representative setting forth the requirements of the Code for maintaining the tax status of the applicable Tax-Advantaged Bonds or Tax-Exempt Bonds, and attachments thereto.

**Government Obligations** has the meaning given to such term in RCW Chapter 39.53, as amended; provided that such obligations must be noncallable obligations issued or unconditionally guaranteed by the United States of America.

**Letter of Representations** means the Blanket Issuer Letter of Representations from the Port to DTC, as it may be amended from time to time, and any successor or substitute letter relating to the operational procedures of the Securities Depository.

**Maximum Rate** means the maximum interest rate or rates as specified in the Mode Agreement, but in no event exceeding the maximum interest rate permitted by applicable law.

**Mode Agreement** means an agreement entered into in connection with the issuance, sale or remarketing of any Series of the Bonds setting forth the daily mode, weekly mode, commercial paper mode, term mode, index floating mode, fixed mode or other mode or modes in which such Series of Bonds will be sold or remarketed, establishing minimum and maximum rate(s), alternate rate(s) and default rate(s), providing for conversion between modes, providing for optional and mandatory tender for purchase on dates and at prices and additional provisions relating to redemption, defaults and remedies, all as set forth in the Mode Agreement.

**Notice Parties** means the Port, the Remarketing Agent (if any), the Registrar, any Credit Facility Issuer (if any), and the Liquidity Facility Issuer (if any).

**Owner** means, with respect to a Bond, without distinction, the Beneficial Owner or the Registered Owner.

**Permitted Investments** means any investment of Port funds permitted under State law, but only to the extent that the same are acquired at Fair Market Value.

**Projects** means the capital projects listed in Exhibit A hereto.

**Record Date** means, except as otherwise set forth in the applicable Sale Document, for an interest or principal payment date or for a maturity date, the 15th day of the calendar month next preceding that date. With respect to redemption of a Bond prior to its maturity, “Record Date” means the Registrar’s close of business on the date on which the Registrar sends notice of the redemption, except as otherwise set forth in the applicable Sale Document.

**Redemption Date** means the date fixed for redemption of Bonds subject to redemption in any notice of redemption given in accordance with the terms hereof.

**Registered Owner** means the person named as the registered owner of a Bond on the Bond Register. For so long as the Bonds are held by a Securities Depository or its nominee, such Securities Depository shall be deemed to be the Registered Owner.

**Registrar** means, unless otherwise designated in the Sale Document or Mode Agreement, the fiscal agent of the State, as the same may be designated by the State from time to time, for the purposes of registering and authenticating the Bonds, maintaining the Bond Register, effecting the transfer of ownership of the Bonds and paying principal of and premium, if any, and interest on the Bonds.

**Reimbursement Agreement** means any agreement of that name between the Port and any Credit Facility Issuer or Liquidity Facility Issuer, if any, with respect to the Bonds and any and all modifications, alterations, and amendments and supplements thereto.

**Remarketing Agent** means Goldman Sachs & Co. LLC, and any other or successor remarketing agent, if any, appointed by the Port pursuant to a Remarketing Agreement.

**Remarketing Agreement** means any agreement of that name between the Port and a Remarketing Agent.

**Rule** means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended from time to time.

**Sale Document** means the Bond Purchase Agreement or Direct Purchase Agreement, as applicable, for a Series of Bonds.

**Securities Depository** means DTC, any successor thereto, any substitute securities depository selected by the Port that is qualified under applicable laws and regulations to provide the services proposed to be provided by it, or the nominee of any of the foregoing.

**Series** or **Series of Bonds** means a series of Bonds issued pursuant to this Series Resolution.

**Taxable Bonds** means the Bonds of any Series determined to be issued on a taxable basis pursuant to Section 5.01 of this Series Resolution.

**Tax-Advantaged Bonds** means the Bonds of any Series determined to be issued on a tax-advantaged basis pursuant to Section 5.01 of this Series Resolution.

**Tax-Exempt Bonds** means the Bonds of any Series determined to be issued on a tax-exempt basis pursuant to Section 5.01 of this Series Resolution.

**Term Bonds** mean those Bonds identified as such in the Sale Document, the principal of which is amortized by a schedule of mandatory redemptions.

**Underwriter** means Goldman Sachs & Co. LLC, and any other or successor underwriter appointed by the Designated Port Representative.

*Underwritten Bonds* means Bonds, if any, sold pursuant to a Bond Purchase Agreement pursuant to Section 5.01 of this Series Resolution.

**Section 1.02. Interpretation.** In this Series Resolution, unless the context otherwise requires:

(a) The terms “hereby,” “hereof,” “hereto,” “herein, “hereunder” and any similar terms, as used in this Series Resolution, refer to this Series Resolution as a whole and not to any particular article, section, subdivision or clause hereof, and the term “hereafter” shall mean after, and the term “heretofore” shall mean before, the date of this Series Resolution;

(b) Words importing persons shall include firms, associations, partnerships (including limited partnerships), trusts, corporations, limited liability companies and other legal entities, including public bodies, as well as natural persons;

(c) Any headings preceding the text of the several articles and sections of this Series Resolution, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Series Resolution, nor shall they affect its meaning, construction or effect;

(d) All references herein to “articles,” “sections” and other subdivisions or clauses are to the corresponding articles, sections, subdivisions or clauses hereof; and

(e) Whenever any consent or direction is required to be given by the Port, such consent or direction shall be deemed given when given by the Designated Port Representative or their designee, respectively, and all references herein to the Designated Port Representative shall be deemed to include references to their designee, as the case may be.

## ARTICLE II.

### ISSUANCE, CONDITIONS AND TERMS OF BONDS

#### **Section 2.01. Plan of Finance; Parity Conditions Met.**

(a) *Plan of Finance.* The Port intends to undertake improvements to its facilities at the locations described on Exhibit A (the “Projects”) attached hereto and incorporated by this reference herein. A portion of the costs of the Projects are expected to be paid, refinanced or reimbursed with the proceeds of the Bonds

(b) *Parity Conditions.* On or prior to the Closing Date, the Port shall confirm compliance with the conditions set forth in Section 4(b) of the Subordinate Lien Master Resolution for the issuance of the Bonds as Subordinate Lien Parity Bonds pursuant to this Series Resolution:

(1) On the Closing Date, there shall not be then existing and continuing a Default under the Subordinate Lien Master Resolution; provided, however, that Future Subordinate Lien Parity Bonds may be issued for refunding purposes under Section 4(c) of the Subordinate Lien Master Resolution if the Default will be cured as a result of the refunding.

(2) On the Closing Date, the conditions set forth in Section 4(b)(3)(A) or (B) shall have been satisfied.

The Bonds shall be obligations only of the Subordinate Lien Bond Fund created under the Subordinate Lien Master Resolution and shall be payable and secured as Subordinate Lien Parity Bonds as provided in the Subordinate Lien Master Resolution and this Series Resolution. The Bonds do not constitute an indebtedness of the Port within the meaning of the constitutional provisions and limitations of the State of Washington.

**Section 2.02. Authorization and Description of Bonds**

(a) *Authorization.* The Port shall issue the Bonds for the purpose of financing or refinancing costs of the Project (including without limitation paying commercial paper issued to finance such costs) and paying costs of issuance of the Bonds. The aggregate principal amount of the Bonds to be issued under this Series Resolution shall not exceed \$400,000,000.

(b) *Description.* Except as otherwise provided in a Sale Document, each Series of the Bonds shall be designated “Port of Seattle Subordinate Lien Revenue Bonds,” with an applicable year and Series designation. The Bonds shall be fully registered as to both principal and interest; shall be numbered separately in such manner and with any additional designation as the Registrar deems necessary for purposes of identification; and shall be in the denominations, dated the date and mature on the dates, in the years and in the amounts established as provided in Section 5.01 of this Series Resolution.

Except as otherwise provided in a Sale Document or Mode Agreement, each Series of Bonds shall bear interest, computed on the basis of a 360-day year of twelve 30-day months, from their dated date or from the most recent interest payment date to which interest has been paid or duly provided for, whichever is later, payable on interest payment dates and at the rate or rates established as provided in Section 5.01 of this Series Resolution and set forth in the Sale Document or Mode Agreement.

**Section 2.03. Execution.** The Bonds shall be executed on behalf of the Port by the manual or facsimile signatures of the President and Secretary of the Commission, and the official seal of the Port shall be reproduced thereon. The validity of any Bond so executed shall not be affected by the fact that one or more of the officers whose signatures appear on such Bond have ceased to hold office at the time of issuance or authentication or at any time thereafter.

**Section 2.04. Authentication.** No Bonds shall be valid for any purpose hereunder until the certificate of authentication printed thereon is duly executed by the manual signature of an authorized signatory of the Registrar. Such authentication shall be proof that the Registered Owner is entitled to the benefit of the trusts hereby created.

**Section 2.05. Registration, Transfer and Exchange.** Except as specified in the Sale Document, the provisions of this Section 2.05 shall apply to all Bonds issued pursuant to this Series Resolution.

(a) *Registrar/Bond Register.* The Bonds shall be issued only in registered form as to both principal and interest. The Port hereby appoints the fiscal agency of the State of Washington as the Registrar for the Bonds. The Port shall cause a bond register to be maintained by the Registrar. So long as any Bonds remain Outstanding, the Registrar shall make all necessary provisions to permit the exchange or registration of transfer of Bonds at its principal corporate trust office. The Registrar may be removed at any time at the option of the Treasurer of the Port upon prior notice to other Notice Parties and a successor Registrar appointed by the Treasurer of the Port. No resignation or removal of the Registrar shall be effective until a successor shall have been appointed and until the successor Registrar shall have accepted the duties of the Registrar hereunder, and the Credit Facility, if any, and Liquidity Facility, if any, shall have been transferred, together with all other funds then held by the Registrar, to the successor Registrar. The Registrar is authorized, on behalf of the Port, to authenticate and deliver Bonds transferred or exchanged in accordance with the provisions of such Bonds and this Series Resolution and to carry out all of the Registrar's powers and duties under this Series Resolution. The Registrar shall be responsible for its representations contained in the Certificate of Authentication on the Bonds.

The Registrar shall keep, or cause to be kept, at its principal corporate trust office, sufficient books for the registration and transfer of the Bonds which shall at all times be open to inspection by the Port (the “Bond Register”).

(b) *Letter of Representations/Book-Entry System.* To induce DTC to accept the Bonds as eligible for deposit at DTC, the Port has executed and delivered the Letter of Representations. The Bonds initially issued shall be held in fully immobilized form by DTC acting as depository pursuant to the terms and conditions set forth in the Letter of Representations.

(c) *Port and Registrar Not Responsible for DTC.* Neither the Port nor the Registrar will have any responsibility or obligation to DTC participants or the persons for whom they act as nominees with respect to the Bonds in respect of the accuracy of any records maintained by DTC or any DTC participant, the payment by DTC or any DTC participant of any amount in respect of the principal or redemption price of or interest on the Bonds, any notice which is permitted or required to be given to Registered Owners under this Series Resolution (except such notices as shall be required to be given by the Port to the Registrar or to DTC), the selection by DTC or any DTC participant of any person to receive payment in the event of a partial redemption of the Bonds or any consent given or other action taken by DTC as the Registered Owner.

(d) *DTC as Registered Owner.* Payment of any such Bond shall be made only as described in this section, but the transfer of such ownership may be registered as herein provided. All such payments made as described in this section shall be valid and shall satisfy and discharge the liability of the Port upon such Bond to the extent of the amount or amounts so paid. Except as specified in a Sale Document, the Port and the Registrar shall be entitled to treat the Securities Depository (as Registered Owner) as the absolute owner of all Bonds for all purposes of this Series Resolution and any applicable laws, notwithstanding any notice to the contrary received by the

Registrar or the Port. Neither the Port nor the Registrar will have any responsibility or obligation under this Series Resolution or the Bonds, legal or otherwise, to any other party including DTC or its successor (or substitute Securities Depository or its successor), except to the Registered Owners. Notwithstanding the foregoing, so long as the Credit Facility Issuer is not in default under the Credit Facility, the Credit Facility Issuer shall be deemed to be the owner and holder of all Bonds for the purpose of granting consents and exercising voting rights with respect thereto.

(e) *Use of DTC/Book-Entry System.*

(1) *Bonds Registered in the Name Designated by DTC.* The Bonds shall be registered initially in the name of “CEDE & Co.,” as nominee of DTC, (or such other name as may be requested by an authorized representative of DTC) with one Bond maturing on the Maturity Date in a denomination corresponding to the total principal therein designated to mature on such date. Registered ownership of such immobilized Bonds, or any portions thereof, may not thereafter be transferred except (A) to any successor of DTC or its nominee, *provided that* any such successor shall be qualified under any applicable laws to provide the service proposed to be provided by it; (B) to any substitute Securities Depository appointed by the Designated Port Representative pursuant to subsection (2) below or such substitute Securities Depository’s successor; or (C) to any person as provided in paragraph (4) below.

(2) *Substitute Depository.* Upon the resignation of DTC or its successor (or any substitute Securities Depository or its successor) from its functions as Securities Depository or a determination by the Designated Port Representative that it is no longer in the best interest of Beneficial Owners to continue the system of book entry transfers through DTC or its successor (or any substitute Securities Depository or its successor), the Designated Port Representative may

hereafter appoint a substitute Securities Depository. Any such substitute Securities Depository shall be qualified under any applicable laws to provide the services proposed to be provided by it.

(3) *Issuance of New Bonds to Successor/Substitute Depository.* In the case of any transfer pursuant to clause (A) or (B) of paragraph (e)(1) above, the Registrar shall, upon receipt of all Outstanding Bonds, together with a written request on behalf of the Designated Port Representative, issue a single new Bond for each maturity of a Series of such Bonds then Outstanding, registered in the name of such successor or such substitute Securities Depository, or their nominees, as the case may be, all as specified in such written request of the Designated Port Representative.

(4) *Termination of Book-Entry System.* In the event that (A) DTC or its successor (or substitute Securities Depository or its successor) resigns from its functions as Securities Depository, and no substitute Securities Depository can be obtained, or (B) to the extent permitted by law, the Designated Port Representative determines that it is in the best interest of the Beneficial Owners of the Bonds that they be able to obtain Bond certificates, the ownership of Bonds may then be transferred to any person or entity as herein provided, and the Bonds shall no longer be held in fully immobilized form. The Designated Port Representative shall deliver a written request to the Registrar, together with a supply of definitive Bonds, to issue Bonds as herein provided in any authorized denomination. Upon receipt of all then Outstanding Bonds by the Registrar together with a written request on behalf of the Designated Port Representative to the Registrar, new Bonds shall be issued in such authorized denominations and registered in the names of such persons as are requested in such written request.

(f) *Transfer or Exchange of Registered Ownership; Change in Denominations.* If the Bonds are no longer held in immobilized, book-entry form, the transfer of ownership of any Bond

may be registered and such Bonds may be exchanged, but no transfer of any Bond shall be valid unless it is surrendered to the Registrar with the assignment form appearing on such Bond duly executed by the Registered Owner or such Registered Owner's duly authorized agent in a manner satisfactory to the Registrar. Upon such surrender, the Registrar shall cancel the surrendered Bond and shall authenticate and deliver, without charge to the Registered Owner or transferee therefor, a new Bond (or Bonds at the option of the new Registered Owner) of the same date, Series designation, if any, maturity date and interest rate and for the same aggregate principal amount in any authorized denomination, naming as Registered Owner the person or persons listed as the assignee on the assignment form appearing on the surrendered Bond, in exchange for such surrendered and canceled Bond. Any Bond may be surrendered to the Registrar and exchanged, without charge, for an equal aggregate principal amount of Bonds of the same date, maturity date and interest rate, in any authorized denomination. Other than in connection with an optional or mandatory tender for purchase, the Registrar shall not be obligated to transfer or exchange any Bond during the five-day period prior to the selection of Bonds for redemption or the maturity date or following any mailing of notice of redemption. No charge shall be imposed upon Registered Owners in connection with any transfer or exchange, except for taxes or governmental charges related thereto.

(g) *Place and Medium of Payment.* Principal of and premium, if any, and interest on the Bonds are payable in lawful money of the United States of America. Principal of and premium, if any, and interest on each Bond registered in the name of the Securities Depository are payable in the manner set forth in the Letter of Representations. Unless otherwise specified in the Sale Document, interest on each Bond not registered in the name of the Securities Depository is payable by electronic transfer on the interest payment date, or by check or draft of the Registrar mailed on

the interest payment date to the Registered Owner at the address appearing on the Bond Register on the Record Date. The Port is not required to make electronic transfers except pursuant to a request by a Registered Owner in writing received on or prior to the Record Date and at the sole expense of the Registered Owner. Unless otherwise specified in the Sale Document, the principal of and premium, if any, on each Bond not registered in the name of the Securities Depository are payable upon presentation and surrender of the Bond by the Registered Owner to the Registrar at maturity or upon prior redemption in full.

**Section 2.06. Destroyed, Lost or Stolen Bonds.** If any Bond is lost, stolen or destroyed, the Port may execute and the Registrar may authenticate and deliver a new Bond or Bonds of like date and tenor to the Registered Owner thereof, all in accordance with law. However, no substitution or payment shall be made unless and until the applicant shall furnish (a) evidence satisfactory to said Registrar and Designated Port Representative of the destruction or loss of the original Bond and of the ownership thereof, and (b) such additional security, indemnity or evidence as may be required by the Designated Port Representative. No substitute Bond shall be furnished unless the applicant shall reimburse the Port and the Registrar for their respective expenses in the furnishing thereof. Any such substitute Bond so furnished shall be equally and proportionately entitled to the security of this Series Resolution with all other Bonds issued hereunder.

**Section 2.07. Form of Bonds.** The Bonds shall each be in substantially the form set forth at Exhibit B, with appropriate or necessary insertions, depending upon the omissions and variations as permitted or required hereby. If the Bonds are no longer held in fully-immobilized form, the form of Bonds will be changed to reflect the changes required in connection with the preparation of certificated Bonds.

**Section 2.08. Defeasance.** If money and/or Government Obligations maturing at such time(s) and bearing such interest to be earned thereon (without any reinvestment thereof) as will provide a series of payments which shall be sufficient together with any money initially deposited, to provide for the payment of the principal of, premium, if any, and interest (if the rate of interest is not fixed to the date of maturity, redemption or mandatory purchase, at the Maximum Rate) on all or a designated portion of the Bonds when due (whether at maturity or upon earlier redemption in accordance with their respective terms) or, if earlier, on the first date on which such Bonds must or could be tendered for purchase are set aside in a special fund (hereinafter called the “trust account”) to effect such payment and are pledged irrevocably in accordance with a refunding or defeasance plan adopted by the Port for the purpose of effecting such payment, then no further payments need be made in the Subordinate Lien Bond Fund for the payment of the principal of, interest or redemption premium on such Bonds, the Registered Owners thereof shall cease to be entitled to any lien, benefit or security of this Series Resolution, except the right to receive payment of the principal of, premium, if any, and interest on such Bonds when due in accordance with their respective terms from the money and the principal and interest proceeds on the Government Obligations set aside in the trust account, and such Bonds shall no longer be deemed to be Outstanding hereunder.

The Port shall provide notice of defeasance of Bonds to Registered Owners of Bonds being defeased to each Notice Party and to any other party entitled to receive notice, in accordance with the Continuing Disclosure Certificate.

## ARTICLE III.

### REDEMPTION OF BONDS

**Section 3.01. Mandatory Redemption.** The Port shall redeem any Term Bonds, if not redeemed under the optional redemption provisions set forth in the Sale Document or purchased under the provisions set forth herein, randomly, or in such other manner as set forth in the Sale Document or as the Registrar shall determine, at par plus accrued interest on the dates and in the years and principal amounts set forth in the Sale Document.

If the Port redeems Term Bonds under the optional redemption provisions set forth in the Sale Document or purchases for cancellation or defeases Term Bonds, the Term Bonds so redeemed, purchased or defeased, irrespective of their redemption or purchase prices, shall, unless otherwise provided in the Sale Document, be credited against one or more scheduled mandatory redemption amounts for those Term Bonds as determined by the Port.

**Section 3.02. Optional Redemption.** All or some of the Bonds of a Series may be subject to redemption prior to their stated maturity dates at the option of the Port at the times and on the terms set forth in the Sale Document.

**Section 3.03. Selection of Bonds for Redemption.** Whenever fewer than all the Outstanding Bonds are to be redeemed, the Bonds to be redeemed shall be selected in accordance with the operational arrangements of DTC referred to in the Letter of Representations. In the event the Bonds are no longer in book-entry only form, the Registrar shall select all other Bonds to be redeemed randomly, or in such other manner set forth in the Sale Document or as the Registrar shall determine. In no event shall any Bond be Outstanding in a principal amount that is not an authorized denomination.

**Section 3.04. Notice of Redemption.** For so long as the book entry-system is in effect, notice of redemption shall be provided in accordance with the operational arrangements of DTC referred to in the Letter of Representations and, except as provided in an applicable Continuing Disclosure Certificate, no additional published or other prior notice shall be required of the Port; *provided, however,* that the Credit Facility Issuer, if any, or Liquidity Facility Issuer, if any, shall also be given prior written notice of any proposed redemption of Bonds. In any event, notice of redemption shall be given by the Port to the Registrar who shall give notice to DTC at least 20 days prior to the proposed date of redemption, except as otherwise set forth in the Sale Document. Any optional redemption notice may be conditional and may permit rescission of the redemption notice prior to the proposed date of redemption.

**Section 3.05. Effect of Redemption.** If notice of redemption has been duly given and, in the case of an optional redemption, if money for the payment of the redemption price of the Bonds or portions thereof to be redeemed is held by the Registrar and if the notice of redemption has not been rescinded, then on the Redemption Date the Bonds or portions thereof so called for redemption shall become payable at the redemption price specified in such notice; and from and after the Redemption Date, interest thereon or on portions thereof so called for redemption shall cease to accrue, such Bonds or portions thereof shall cease to be Outstanding and to be entitled to any benefit, protection or security hereunder and the Owners of such Bonds or portions thereof shall have no rights in respect thereof except to receive payment of the redemption price upon delivery of such Bonds to the Registrar.

**Section 3.06. Purchase of Bonds by Port.** The Port reserves the right to purchase any of the Bonds offered to it by a Beneficial Owner or the Registered Owner at any time at any price acceptable to the Port. All Bonds so purchased will be retired.

## ARTICLE IV.

### USE OF PROCEEDS

**Section 4.01. Use of Moneys in Subordinate Lien Bond Fund.** Money in the Subordinate Lien Bond Fund shall be used solely for the payment of the principal of, premium, if any, and interest on, the Bonds (including Bank Bonds) as the same shall become due and payable at maturity, upon redemption or otherwise, and the lien of the Owners of Bonds on such moneys on deposit in the Subordinate Lien Bond Fund (other than moneys in a Purchase Account as provided in the Mode Agreement) shall be first and prior to the lien of any other person thereon.

**Section 4.02. Enforcement of Rights.** The Registered Owner of each of the Bonds or a trustee for the Registered Owners of any of the Bonds may by mandamus or other appropriate proceeding require the transfer and payment of money as directed in the Subordinate Lien Master Resolution and this Series Resolution.

**Section 4.03. Use of Bond Proceeds.** The proceeds of the Bonds (exclusive of any Underwriters' discount and any amounts that may be designated by the Designated Port Representative in a closing certificate to be allocated to pay costs of issuance) shall be applied as follows:

- (1) An amount, if any, specified by the Designated Port Representative shall be deposited into one or more capitalized interest accounts (hereinafter authorized to be created);
- (2) An amount specified by the Designated Port Representative shall be deposited into one or more capital project accounts and, together with other available moneys, to pay costs of the Projects, and/or applied to pay maturing commercial paper as directed by the Designated Port Representative.

If interest on the Bonds is to be capitalized, the Treasurer of the Port is hereby authorized and directed to create one or more capitalized interest accounts for the purpose of holding certain Bond proceeds and interest earnings thereon to be used and disbursed to pay interest on the Bonds through the date or dates specified by the Designated Port Representative.

The Treasurer shall invest the net proceeds of the Project Bonds in such Permitted Investments and that will mature prior to the date on which such money shall be needed. Earnings on such investments, except as may be required to pay rebatable arbitrage pursuant to the Federal Tax Certificate, may be used for Port purposes or transferred to the Subordinate Lien Bond Fund for the uses and purposes therein provided.

**Section 4.04. Tax Covenants.** The Port will take all actions necessary to assure the tax-advantaged status of the Tax-Advantaged Bonds, or the exclusion of interest on the Tax-Exempt Bonds from the gross income of the owners of the Tax-Exempt Bonds to the same extent as such interest is permitted to be excluded from gross income under the Code as in effect on the date of issuance of the Tax-Advantaged Bonds or Tax-Exempt Bonds, as applicable and as set forth in the Federal Tax Certificate, including but not limited to the following to the extent applicable:

(a) *Federal Guarantee Prohibition.* The Port will not take any action or permit or suffer any action to be taken if the result of such action would be to cause any of the Tax-Exempt Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

(b) *Rebate Requirement.* The Port will take any and all actions necessary to assure compliance with Section 148(f) of the Code, relating to the rebate of excess investment earnings, if any, to the federal government, to the extent that such section is applicable to the Tax-Exempt Bonds.

(c) *No Arbitrage.* The Port will not take, or permit or suffer to be taken, any action with respect to the proceeds of the Tax-Exempt Bonds which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the date of issuance of the Tax-Exempt Bonds would have caused the Tax-Exempt Bonds to be “arbitrage bonds” within the meaning of Section 148 of the Code.

(d) *Registration Covenant.* The Port will maintain a system for recording the ownership of each Tax-Exempt Bond that complies with the provisions of Section 149 of the Code until all Tax-Exempt Bonds have been surrendered and canceled.

(e) *Record Retention.* The Port will retain its records of all accounting and monitoring it carries out with respect to the Tax-Exempt Bonds for at least three years after the Tax-Exempt Bonds mature or are redeemed (whichever is earlier); however, if the Tax-Exempt Bonds are redeemed and refunded, the Port will retain its records of accounting and monitoring at least three years after the earlier of the maturity or redemption of the obligations that refunded the Tax-Exempt Bonds.

(f) *Compliance with Tax Certificate.* The Port will comply with the provisions of the Tax Certificate with respect to the Tax-Exempt Bonds and Tax-Advantaged Bonds, which are incorporated herein as if fully set forth herein. In the event of any conflict between this Section and the Tax Certificate, the provisions of the Tax Certificate will prevail.

(g) *Governmental Bonds.* All or a portion of the Tax-Exempt Bonds may be issued as “Governmental Bonds” subject to the private use restrictions of Section 141 of the Code. The Port makes the following covenants with respect to the Governmental Bonds.

(1) The Port will assure that the Governmental Bond proceeds are not so used as to cause the Governmental Bonds to satisfy the private business tests of Section 141(b) of the Code or the private loan financing test of Section 141(c) of the Code.

(2) The Port will not sell or otherwise transfer or dispose of (i) any personal property components of the Project other than in the ordinary course of an established government program under Treasury Regulation § 1.141-2(d)(4) or (ii) any real property components of the Project, unless it has received an opinion of nationally recognized bond counsel to the effect that such disposition will not adversely affect the treatment of interest on the Tax-Exempt Bonds as excludable from gross income for federal income tax purposes.

(h) *Exempt Facility Bonds.* All or a portion of the Tax-Exempt Bonds may be issued as “Exempt Facility Bonds” or “AMT Bonds” meeting the requirements of Section 142 of the Code. The Port makes the following covenants with respect to the AMT Bonds.

(1) At least 95% of the net proceeds of the AMT Bonds will be expended to pay capital expenditures of an airport, dock or wharf owned by a governmental unit, including storage and training facilities and certain functionally related and subordinate facilities, all within the meaning of Section 142 of the Code.

(2) No net proceeds of the AMT Bonds will be used to finance the acquisition of any property (or an interest therein) unless (1) the first use of such property was pursuant to such acquisition or (2) the applicable rehabilitation exception contained in Section 147(d)(2) of the Code with respect to such property was met.

(3) Less than 25% of the net proceeds of the AMT Bonds will be used to refinance the acquisition of land unless such land was acquired for use or future use as an airport,

dock or wharf, and there is no other significant use of the land, pursuant to Section 147(c)(3) of the Code.

(4) No portion of the AMT Bond proceeds will be used to refinance any of the following: an airplane, a skybox or other private luxury box, a health club facility, a facility primarily used for gambling or a store the principal business of which is the sale of alcoholic beverages for consumption off premises.

(5) Not more than 2% of the AMT Bond proceeds will be used to pay costs of issuance.

Certain covenants of this section will survive payment in full or defeasance of the Tax-Exempt Bonds.

## ARTICLE V.

### SALE AND REMARKETING OF BONDS

#### Section 5.01. Sale of Bonds.

(a) *Sale Method.* The Designated Port Representative is hereby authorized to determine the method of sale of the Bonds of any Series, and to select one or more Underwriters or Direct Purchasers. Underwritten Bonds shall be sold by negotiated sale to the Underwriter, under the terms and conditions thereof as provided in the Bond Purchase Agreement and in this Series Resolution. Direct Purchase Bonds shall be sold to the Direct Purchaser, under the terms and conditions thereof as provided in the Direct Purchase Agreement and in this Series Resolution.

(b) *Determinations.* The Sale Document for each Series of the Bonds will specify whether the Bonds of such Series are being issued and sold as Tax-Advantaged Bonds, Tax-Exempt Bonds or Taxable Bonds, and whether any Series of Bonds are designated as “green bonds,” social impact bonds, sustainability bonds or otherwise, and will also identify any Term

Bonds and the year and any applicable Series designation, date, principal amounts and maturity dates, interest rates (or method of establishing interest rates), interest payment dates, redemption, bond insurance provisions and/or purchase provisions and delivery date for such Series of Bonds.

The Designated Port Representative is hereby further authorized to determine that any Series of the Bonds will be issued with interest to be borne in a daily mode, weekly mode, commercial paper mode, term mode, index floating mode, fixed mode or other mode, subject to minimum rate(s), maximum rate(s), alternate rate(s) and default rate(s), conversion between modes, optional and mandatory tender for purchase on dates and at prices and additional provisions relating to defaults and remedies, all as set forth in the Mode Agreement.

(c) *Procedure for Sale and Remarketing of Bonds.* In connection with the sale, remarketing, reissuance or any mode conversion of any Series of the Bonds, the Designated Port Representative is authorized, in their discretion, without further action by the Commission, as necessary and desirable to effect such sale, remarketing, reissuance or conversion, as applicable:

(1) to issue requests for proposals for purchasers, Remarketing Agents, tender agents, paying agents, calculation agents, commercial paper dealers, Credit Facility Issuers, or Liquidity Facility Issuers, and to execute and deliver agreements based on responses received to such requests, including: the Mode Agreement and amendments to, extensions, replacements and terminations thereof, any continuing covenant or purchase agreements, commercial paper dealer agreements, Remarketing Agent Agreements, tender agent agreements, paying agent agreements, calculation agent agreements, Credit Facilities and amendments to, extensions, replacements and terminations thereof, Liquidity Facilities and amendments to, extensions, replacements and terminations thereof, reimbursement agreements, and other agreements evidencing the Port's

obligations under any such agreements and any certifications or documentation in connection therewith;

(2) to appoint or replace the Registrar or Securities Depository;

(3) to cause the interest rate mode of any Series of the Bonds to be established or converted in accordance with the Mode Agreement, or amendments to the Mode Agreement;

(4) to establish such funds and accounts as are necessary and desirable in connection with the sale, remarketing, reissuance or any mode conversion of any Series of the Bonds following the initial issuance of such Series of Bonds; and

(5) to negotiate and approve terms for the purchase and/or exchange of Bonds tendered pursuant to any offer and enter into dealer manager agreements and other related agreements.

(d) *Sale Parameters.* The Executive Director is hereby authorized to approve the issuance and sale of any Series of the Bonds upon the Executive Director's approval of the final interest rates (or method of establishing interest rates), maturity dates, aggregate principal amounts, principal maturities and redemption rights for the Series of the Bonds in accordance with the authority granted by this section so long as:

(1) The aggregate principal amount for all Series of Bonds does not exceed \$400,000,000;

(2) The final maturity date for the Series of Bonds to be issued is not later than 40 years after its date of issuance;

(3) The Series of the Bonds to be issued are sold, in the aggregate, at a price not less than 95 percent;

(4) No Bond will bear interest at a rate higher than the Maximum Rate;

(5) The initial interest rate and manner of determining the interest rate from time to time for setting variable rates for any Series of Bonds to be issued in the daily mode, weekly mode, commercial paper mode, term mode, index floating mode, fixed mode or other mode shall be set forth in the Mode Agreement; and

(6) The Series of Bonds conforms to all other terms of this Series Resolution.

(e) *Authority to Execute Sale Documents.* Subject to the terms and conditions set forth in this Section 5.01, the Designated Port Representative is hereby authorized to execute each Sale Document to be dated the date of sale of the applicable Series of Bonds. The signature of the Designated Port Representative shall be sufficient to bind the Port.

The authority granted to the Designated Port Representative by this subsection (e) to execute Sale Documents shall expire on July 14, 2027 (the “Expiration Date”); provided, that the authority granted to the Designated Port Representative to remarket any Series of Bonds authorized hereunder, to issue commercial paper notes pursuant to a Mode Agreement from time to time, and to enter into, amend, extend or replace Mode Agreements, Credit Facilities, Liquidity Facilities, and related documents will remain in full force and effect notwithstanding such Expiration Date; and provided further that an amendment to a Sale Document may be executed, and performance pursuant to any Sale Document may be completed, at any time.

If a Sale Document for a Series of the Bonds has not been executed by the Expiration Date, the authorization for the issuance of the Bonds shall be rescinded and the Bonds shall not be issued nor their sale approved unless such Bonds shall have been reauthorized by resolution of the Commission. The resolution reauthorizing the issuance and sale of such Bonds may be in the form of a new resolution repealing this resolution in whole or in part or may be in the form of an

amendatory resolution approving a bond purchase agreement or direct purchase agreement or establishing terms and conditions for the authority delegated under this section.

**Section 5.02. Approval of Official Statement.** The Port hereby authorizes and directs the Designated Port Representative: (a) to review and approve the information contained in one or more preliminary official statements or reoffering memoranda (each, a “Preliminary Official Statement”) prepared in connection with the sale or subsequent remarketing of any Series of the Bonds; and (b) for the sole purpose of compliance by the purchasers of such Series of Bonds with subsection (b)(1) of the Rule, to “deem final” the related Preliminary Official Statement as of its date, except for such omissions as are permitted under the Rule. After each Preliminary Official Statement has been reviewed and approved in accordance with the provisions of this section, the Port hereby authorizes the distribution of such Preliminary Official Statement to prospective purchasers of such related series of Series of Bonds.

Following the sale or remarketing of each Series of the Bonds, the Designated Port Representative is hereby authorized to review and approve on behalf of the Port a final official statement or reoffering memoranda with respect to such Series of Bonds. The Port agrees to cooperate with the purchaser of each Series of Bonds to deliver or cause to be delivered, within seven business days from the date of the Sale Document, or within such other period as may be required by applicable law, and in sufficient time to accompany any confirmation that requests payment from any customer of the purchaser, copies of a final official statement pertaining to such Series of Bonds in sufficient quantity to comply with subsection (b)(4) of the Rule and the rules of the Municipal Securities Rulemaking Board.

**Section 5.03. Undertaking to Provide Ongoing Disclosure.** The Designated Port Representative is authorized to execute and deliver a Continuing Disclosure Certificate with respect to each Series of Bonds, as required by subsection (b)(5) of the Rule.

**Section 5.04. General Authorization.** The proper Port officials are authorized and directed to do everything necessary for the prompt sale, issuance, execution and delivery, and remarketing of the Bonds, and for the proper use and application of the proceeds of the sale and remarketing thereof.

## ARTICLE VI.

### MISCELLANEOUS

**Section 6.01. Contract; Severability.** The covenants in this Series Resolution shall constitute a contract for the benefit of the Registered Owners, and the Registered Owners shall be entitled to enforce the provisions hereof in accordance with its terms. If any one or more of the covenants or agreements provided in this Series Resolution to be performed on the part of the Port shall be declared by any court of competent jurisdiction and final appeal (if any appeal be taken) to be contrary to law, then such covenant or covenants, agreement or agreements, shall be null and void and shall be deemed separable from the remaining covenants and agreements in this Series Resolution and shall in no way affect the validity of the other provisions of this Series Resolution or of the Bonds.

**Section 6.02. Notices to Rating Agencies.** The Port shall give immediate notice to each Rating Agency then maintaining a rating on the Bonds in the event:

- (a) The Remarketing Agent or the Registrar resigns or is replaced;
- (b) This resolution is amended or supplemented;
- (c) An alternate Credit Facility or Liquidity Facility is provided;

(d) Bonds are changed from one mode to another mode (specifying the length of the new interest period(s));

(e) There has been a redemption or defeasance of the Bonds;

(f) The Remarketing Agreement, the Reimbursement Agreement or the Credit Facility or Liquidity Facility is amended, supplemented, extended, terminated or expired or replaced.

**Section 6.03. Immediate Effect.** This resolution shall take effect immediately upon its adoption.

ADOPTED by the Port Commission of the Port of Seattle at a meeting thereof, held this \_\_\_\_ day of \_\_\_\_\_, 2026, and duly authenticated in open session by the signatures of the commissioners voting in favor thereof.

PORT OF SEATTLE, WASHINGTON

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Commissioners

## **EXHIBIT A:**

### **Projects**

Runway, apron and safety areas construction, repairs and improvements; airfield infrastructure construction, repairs and upgrades; noise mitigation; property acquisition, Airport Terminal and parking garage construction, modification, repairs, improvements including equipment acquisition; roadway and ground transportation improvements; airport support systems and services improvements; planning work relating to future facilities on or near the Airport; property acquisitions for Airport expansion adjacent or near to the Airport and other airport improvements that are functionally related to the airfield, air terminal and Airport property improvements described above at Seattle-Tacoma International Airport, 17801 Pacific Highway South, SeaTac, WA 98158, which is owned and operated by the Port.

**EXHIBIT B: Form of Bond**

No. R- \_\_\_\_\_

\$ \_\_\_\_\_

UNITED STATES OF AMERICA

PORT OF SEATTLE  
SUBORDINATE LIEN REVENUE BOND  
SERIES 2026

MATURITY DATE

ISSUE DATE

CUSIP

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT:

The Port of Seattle (the “Port”) hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns, on the Maturity Date identified above, the Principal Amount specified above and to pay interest thereon from the date of this bond, or the most recent date to which interest has been paid or duly provided for, until payment of this bond, at the interest rate specified in the Bond Legislation, payable on each interest payment date.

Both principal of and interest on this bond are payable in lawful money of the United States of America. Interest on this bond is payable by electronic transfer on the interest payment date, or by check or draft of the Registrar mailed on such interest payment date to the Registered Owner at the address appearing on the Bond Register on the Record Date. The Port is not required to make electronic transfers except pursuant to a request by a Registered Owner in writing received on or prior to the Record Date and at the sole expense of the Registered Owner. Principal of and premium, if any, on this bond are payable upon presentation and surrender of the Bond by the Registered Owner to the Registrar at maturity or upon prior redemption in full. Both principal of and interest on this bond shall be paid as provided in the Blanket Issuer Letter of Representations from the Port to The Depository Trust Company.

This bond is one of an authorized issue of bonds in the aggregate principal amount of \$ \_\_\_\_\_ (the “Bonds”), and is issued to provide funds to finance or refinance capital improvements to Port facilities and to pay the costs of issuing the Bonds.

The Bonds are issued under and in accordance with the provisions of the Constitution and applicable statutes of the State of Washington (the “State”), and applicable resolutions duly adopted by the Port, including Resolutions \_\_\_ and \_\_\_ (together with the [Sale Document], the “Bond Legislation”). Capitalized terms used in this bond and not defined herein have the meanings given such terms in the Bond Legislation.

The Bonds are subject to redemption as provided for in the Bond Legislation.

The Port does hereby pledge and bind itself to set aside from such Gross Revenue, and to pay into the Subordinate Lien Bond Fund the various amounts required by the Bond Legislation to be paid into and maintained in such Fund, all within the times provided by the Bond Legislation.

The amounts so pledged to be paid out of Gross Revenue into the Subordinate Lien Bond Fund are hereby declared to be a first and prior lien and charge upon the Gross Revenue, subject to the liens thereon of any Prior Lien Bonds and subject further to the Operating Expenses of the Port and equal in rank to the lien and charge upon such Gross Revenue of the amounts required to pay and secure the payment of the Port's outstanding Subordinate Lien Parity Bonds, and any revenue bonds of the Port hereafter issued on a parity with such bonds and the Bonds of this issue.

The Port has further bound itself to maintain all of its properties and facilities which contribute in some measure to such Gross Revenue in good repair, working order and condition, to operate the same in an efficient manner and at a reasonable cost, and to establish, maintain and collect rentals, tariffs, rates and charges in the operation of all of its business for as long as any Bonds of this issue are outstanding that it will make available, for the payment of the principal thereof and interest thereon as the same shall become due, Net Revenues in an amount equal to or greater than the Subordinate Lien Rate Covenant.

The Bonds of this issue are private activity bonds and are not "qualified tax exempt obligations" eligible for investment by financial institutions within the meaning of Section 265(b) of the Internal Revenue Code of 1986, as amended.

Except as otherwise provided in the Bond Legislation, this bond shall not be entitled to any right or benefit under the Bond Legislation, or be valid or become obligatory for any purpose, until this bond shall have been authenticated by execution by the Registrar of the certificate of authentication inscribed hereon.

It is hereby certified, recited and represented that the issuance of this bond and the Bonds of this issue is duly authorized by law; that all acts, conditions and things required to exist and necessary to be done or performed precedent to and in the issuance of this bond and the Bonds of this issue to render the same lawful, valid and binding have been properly done and performed and have happened in regular and due time, form and manner as required by law; that all acts, conditions and things necessary to be done or performed by the Port or to have happened precedent to and in the execution and delivery of the Bond Legislation have been done and performed and have happened in regular and due form as required by law; that due provision has been made for the payment of the principal of and premium, if any, and interest on this bond and the Bonds of this issue and that the issuance of this bond and the Bonds of this issue does not contravene or violate any constitutional or statutory limitation.

IN WITNESS WHEREOF, the Port of Seattle has caused this bond to be executed with the manual or facsimile signatures of the President and Secretary of its Port Commission and caused a facsimile of the official seal of the Port to be reproduced hereon.

PORT OF SEATTLE

(SEAL)

By \_\_\_\_\_  
President, Port Commission

ATTEST:

By \_\_\_\_\_  
Secretary, Port Commission

The Certificate of Authentication for the Bonds shall be in substantially the following form and shall appear on each Bond:

AUTHENTICATION CERTIFICATE

This bond is one of the Port of Seattle Subordinate Lien Revenue Bonds, Series 2026 described in the within-mentioned Bond Resolution.

WASHINGTON STATE FISCAL  
AGENCY, as Registrar

By \_\_\_\_\_  
Authorized Signatory

Date of Authentication: \_\_\_\_\_

CERTIFICATE

I, the undersigned, Secretary of the Port Commission (the “Commission”) of the Port of Seattle, Washington (the “Port”), DO HEREBY CERTIFY:

1. That the attached resolution numbered \_\_\_\_ (the “Resolution”), is a true and correct copy of a resolution of the Port, as finally adopted at a meeting of the Commission held on the \_\_\_\_ day of \_\_\_\_\_, 2026, and duly recorded in my office.

2. That said meeting was duly convened and held in all respects in accordance with law, and to the extent required by law, due and proper notice of such meeting was given; that a quorum of the Commission was present throughout the meeting and a legally sufficient number of members of the Commission voted in the proper manner for the adoption of said Resolution; that all other requirements and proceedings incident to the proper adoption of said Resolution have been duly fulfilled, carried out and otherwise observed, and that I am authorized to execute this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this \_\_\_\_ day of \_\_\_\_\_, 2026.

\_\_\_\_\_  
Secretary

# Subordinate Lien Revenue Bonds Series 2026A and 2026B

July 14, 2026



# Adoption of Resolution No. 3851

- Sale & Issuance of Subordinate Lien Revenue Bonds, Series 2026A&B
- Bonds to be issued in two forms, both utilizing variable interest rates:
  1. Variable Rate Demand Bonds: \$225 million
    - Tax-exempt (AMT); Interest rates reset daily
  2. Direct Bank Loan \$120 million
    - Taxable; Interest rates reset weekly
- Commission recently approved a refresh of the Port's Subordinate Lien
  - Refresh in April was done to facilitate the expected addition of new variable rate debt
  - Variable rate debt provides certain benefits reviewed in April

# Background Information - Variable Rate Debt

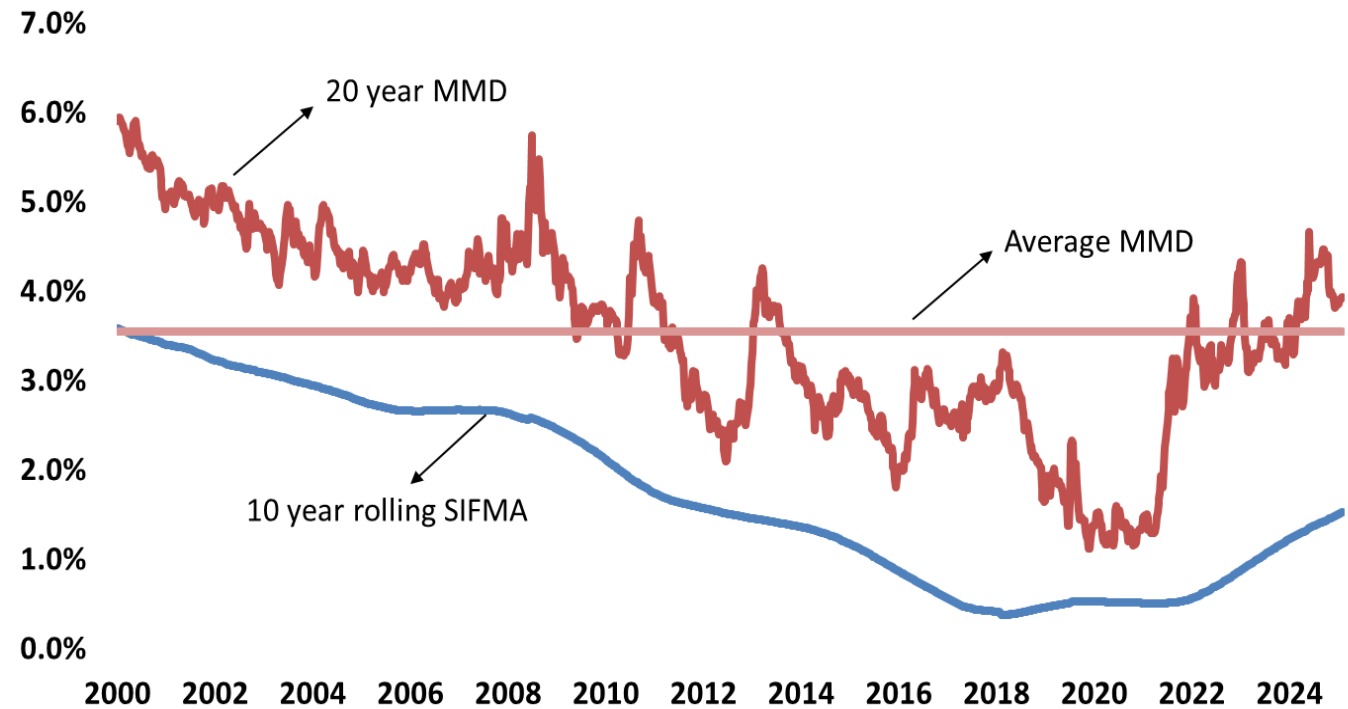
- The Port's primary funding source of capital projects is revenue bonds
- Over 95% of the Port's current revenue bond debt has fixed interest rates
- Port staff has been looking for opportunities to increase variable rate debt exposure, but with historically low fixed interest rates over the past decade, it made sense to lock those in
- As long-term fixed interest rates have started to increase it provides a potential opportunity to increase variable rate debt

# Variable Rate Debt Can Lower the Port's Cost of Capital

- Variable interest rates reset frequently (i.e. daily or weekly)
  - Target short end of yield curve
- Variable rate debt priced to SIFMA + spread
- Short-term municipal rates on average are lower than long-term rates

Average Historical Rates 2000-2025	
SIFMA	MMD
1.48%	3.54%

2000-2024 Variable Rates vs. Fixed Rates



- SIFMA: Securities Industry and Financial Market Association Index of municipal short-term rates
- MMD: Municipal Market Data index of long-term rates

# Other Benefits

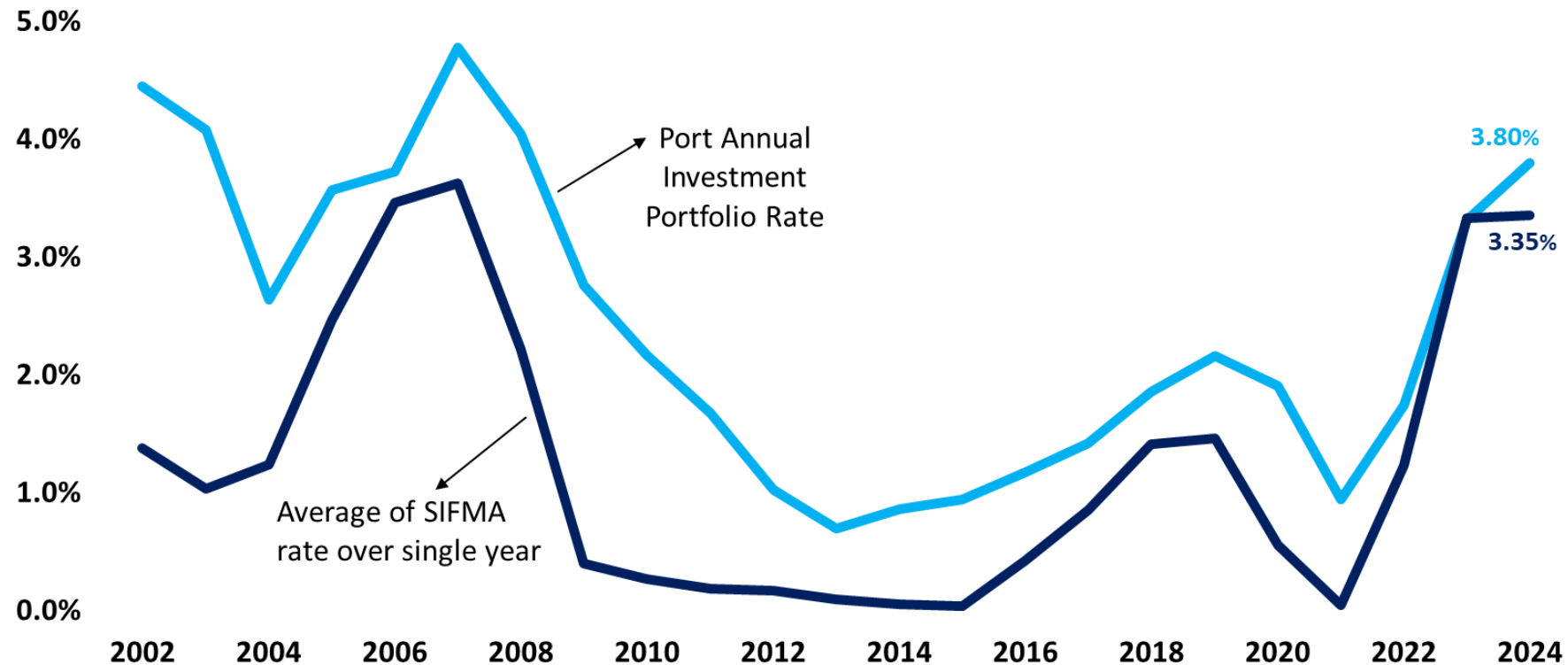
## Asset-Liability Management

- Reduce interest rate risk by hedging interest expense and interest earnings

## Flexible Structure

- Some variable rate products provide for flexible principal payments

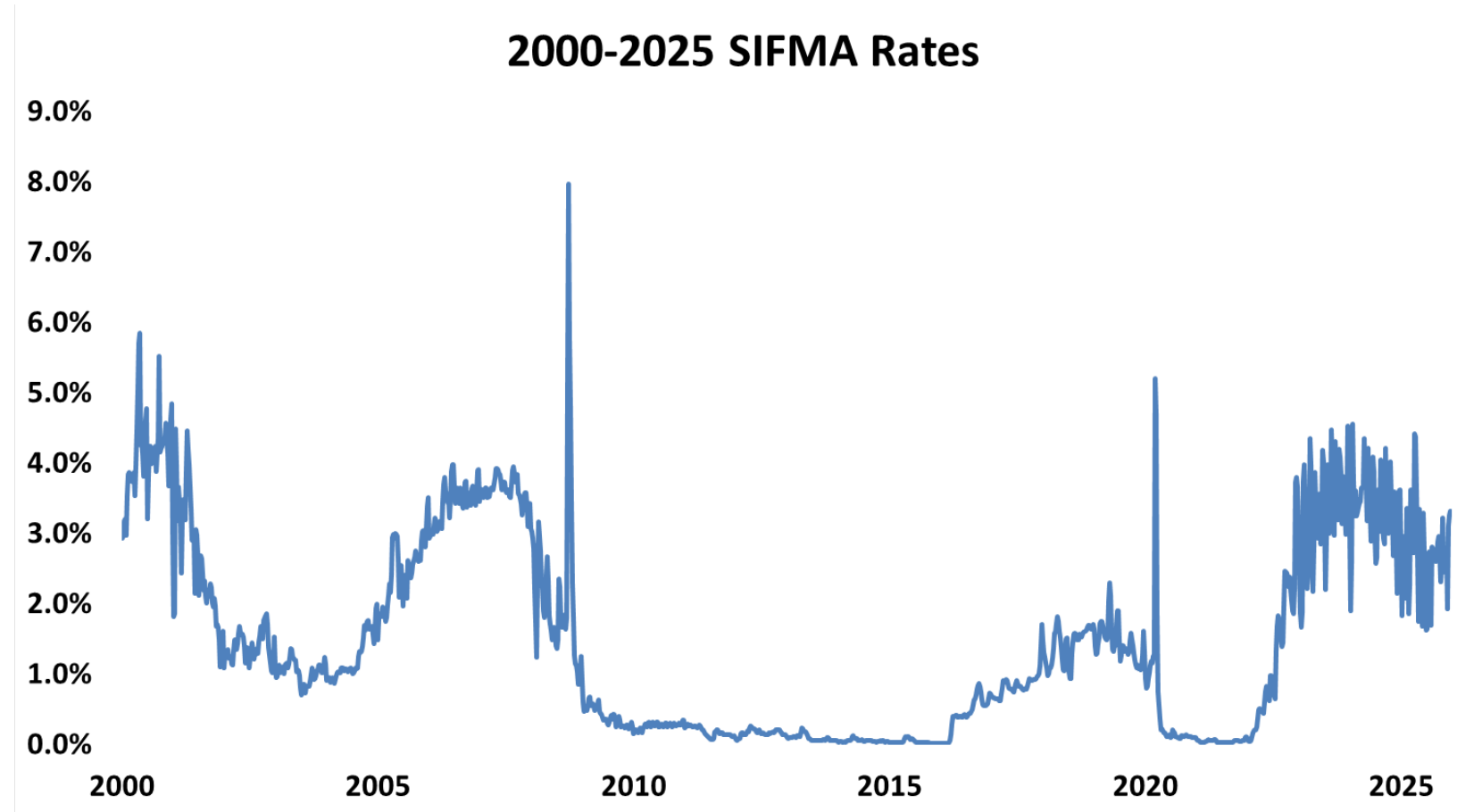
2002-2024 Port Investment Portfolio Rate vs. Variable Rate Index



*Rates in the Port's investment portfolio move similarly to rates on variable rate debt*

# Rate Volatility is a Risk

- The Port retains interest rate risk, but manages that by off-setting variable rates on its investment portfolio



# 2026A Subordinate Lien Bonds: VRDBs

**Product:** Variable rate demand bonds (VRDBs)

**Tax Status:** Tax-Exempt, subject to AMT

**Amount:** \$225 million

**Purpose:** Funding for airport capital projects

## Additional Details:

- Provide partial funding of Airport CIP, as outlined in the Draft Plan of Finance
- VRDBs supported by a direct pay letter of credit from Bank of America
  - Competitively bid
- VRDBs are a common variable rate product; the Port has utilized them previously
- Investors of bonds are effectively purchasing the banks' credit rather than the Port's
  - They have banks' guarantee of payment
- Interest rates are set based on market supply and demand
  - Minimum rate necessary to remarket the Bonds in the public market (market clearing)
  - Initially contain a *daily* interest rate reset

# VRDBs: Benefits and Risks

## Benefits:

- Historically lower rates
  - On average lower compared to fixed rate
- Flexible repayment terms
  - Port can adjust principal payments in times of need
  - Port paused principal payments during the pandemic to preserve cash and reduce charges to airlines
- Asset-Liability Management
  - Reduce organizational interest rate risk
  - Hedge interest expense and interest earnings

## Risks & Mitigation:

- Remarketing Risks
  - Problems with capital markets or with the bank's credit can reduce investor demand
  - This can result in higher rates
  - The Port experienced this during the 2008 credit crisis
  - Failed remarketing requires letter of credit bank to pay investors; Port must repay bank following a 6-month liquidity period
- Port downgrade risk – increases cost of LOC

### *Mitigation:*

- Negotiated agreements with the banks to minimize the increase in rates and to provide time to cure the underlying problem
- Diversify bank and variable rate product exposure

# 2026B Subordinate Lien Bonds: Direct Bank Loan

**Product:** Bank Loan

**Tax Status:** Taxable

**Amount:** \$120 million

**Purpose:** Refinance outstanding commercial paper

## Additional Details:

- Competitively bid bank loan from Wells Fargo
- Commercial paper was used to fund acquisition of SeaTac Office Center in February 2025
- Bank loan proceeds used to pay off outstanding commercial paper
  - After refinancing, the \$250M active commercial paper facility will be available for CIP funding
- Interest rates reset weekly based on a standard market index plus a spread
- Bank loan term of 5 years
  - Can be renewed with Wells Fargo, replaced with a new variable rate product or refinanced with fixed rate bonds at the end of this term

# Direct Bank Loan: Benefits and Risks

## Benefits: consistent with VRDBs:

- Low rates
- Flexible repayment terms
- Asset-Liability Management

## *Additional Benefits of Bank Loan:*

- Bank loan executed in private market - results in faster loan execution and lower costs compared to public markets
- Fewer regulatory/compliance requirements
- No remarketing risk, unlike VRDBs
- Further diversifies Port's debt portfolio

## Risks & Mitigation

- Refinancing/Renewal risk
- Port downgrade/default risk

## *Mitigation:*

- Manage loan and letter of credit expiry
- Prudent financial management
- Diversify bank and variable rate product exposure

# Resolution No. 3851

- Pursuant to new Subordinate Lien Master Resolution adopted in April 2026
- Resolution No. 3851:
  - Provides the details for this specific series of bonds
  - Delegates to Executive Director the authority to approve the sale of Bonds, within parameters in Resolution
- Variable Rate Demand Bonds will be underwritten by Goldman Sachs
- Loan directly placed with Wells Fargo does not require an underwriter
- Delegation Limits:
  - Maximum Par Amount: \$400 million
  - Bond sale must occur by July 14, 2027
  - Exceeding limits requires further authorization
- Provides funding for
  - Bond issuance costs

# Next Steps

- Bond closing tentatively scheduled for:
  - Bank Loan with Wells Fargo: Week of August 10<sup>th</sup>
  - Variable Rate Demand Bonds: Week of August 17<sup>th</sup> or 24<sup>th</sup>

# Appendix - Fund Airport Capital Investments

## Anticipated project funding includes:

- S Concourse Evolution
- Continuation of Baggage Handling System Optimization and Airfield Pavement Replacement
- Industrial Waste Treatment Plant Program
- North Main Terminal SEA Gateway Project & Other airport projects

Flexibility to redirect bond proceeds to other Airport capital projects, subject to meeting project eligibility requirements (federal tax)

Actual spending on projects is subject to appropriate authorization





**COMMISSION  
AGENDA MEMORANDUM**

**Item No.** 10a

**ACTION ITEM**

**Date of Meeting** July 14, 2026

**DATE:** July 6, 2026

**TO:** Stephen P. Metruck, Executive Director

**FROM:** Rick Duncan, Director, Aviation Business & Properties  
Eileen Francisco, Director, Aviation Project Management Group

**SUBJECT: Concourse B United Airlines Lounge Tenant Reimbursement Agreement (TRA) and Post-IAF Airline Realignment Budget Increase (C801158)**

**Amount of this request:** \$17,352,000

**Total estimated project cost:** \$158,252,000

**ACTION REQUESTED**

Request Commission authorization for the Executive Director to 1) increase the Post-IAF Airline Realignment project budget by \$3,752,000, 2) execute a Tenant Reimbursement Agreement with United Airlines for \$15,500,000 to support the construction of the Concourse B United Airlines Lounge, and 3) authorize the remaining project budget of \$17,352,000. This results in a total estimated project cost of \$158,252,000.

**EXECUTIVE SUMMARY**

As part of the Post-IAF Airline Realignment project (Airline Realignment) and pursuant to the 2018 Signatory Lease and Operating Agreement (SLOA IV), the Port has relocated United Airlines (UA) aircraft operations, preferential gates, and support spaces from Concourse A to Concourse B. Relocation of UA’s lounge is the final step in completion of the multi-year project.

SLOA IV and the 2023 realignment agreement with UA stipulates the Port must provide UA with a like-for-like replacement for any lost amenities associated with relocation. Under Commission authorization and a January 2023 and April 2025 Memoranda of Agreement (MOA) UA has recently completed design and is prepared to start construction of a new 7,181 square-foot lounge on Concourse B adjacent to their new preferential gates. This request increases the combined budget for both projects. Over the past five years, the Airline Realignment project has experienced minor cost increases to expedite the project schedule to maintain critical path and mitigate numerous unforeseen conditions. This request would authorize the remaining project budget, the execution of the TRA between the Port and UA and increase the combined project budget by \$3,752,000.

Meeting Date: July 14, 2026

**JUSTIFICATION**

Upon completion of construction of both projects, the Port’s requirement to provide UA with a like-for-like replacement lounge per SLOA IV will be satisfied. Additionally, this relocation supports the broader operational objectives to relocate UA’s operations from Concourse A to Concourse B.

***Diversity in Contracting***

A 19% WMBE Aspirational Goal has been set for the Concourse B lounge project.

**DETAILS**

In March of 2021, Commission authorized \$26,000,000 for the Airline Realignment project. Of this amount, \$4,400,000 was authorized for an MOA with UA for the design of the like-for-like lounge replacement at their new location.

Subsequent Commission actions advanced the broader Airline Realignment project, which is projected to reach substantial completion Q3 2026. As part of those actions, the Port informed Commission of UA’s design start and informed Commission the UA lounge project would return with future authorization requests to complete the project and execute the construction TRA. This is that follow-on action.

Today’s \$3,752,000 budget increase request addresses the UA Lounge project costs and Airline Realignment funds needed to reach substantial completion of the lounge and airline realignment in general. \$3,252,000 is allocated to the UA lounge. This increases the total UA Lounge budget from the estimated \$18,000,000 to \$21,252,000. This increase is primarily driven by cost escalation associated with construction market conditions and finalizing construction design from a 2021 estimate. The remaining \$500,000 is included to address any future potential risks related to the Port-managed scope portion of the Airline Realignment project.

***Scope of Work***

- (1) Construct a new 7,181 square-foot, Concourse B UA Lounge under a TRA with UA.
- (2) Complete the balance of the Port-managed Airline Realignment project, including any subsequent work to address risks that could not be mitigated within the current construction budget.

***Schedule***

*Activity*

Construction start for United Lounge	2026 Quarter 3
In-use date	2027 Quarter 4

Meeting Date: July 14, 2026

The following table summarizes the current budget, requested budget increase, and revised total project budget for both the Airline Realignment scope and Concourse B UA Lounge project under the shared CIP.

<b>Cost Breakdown</b>	<b>Current Budget</b>	<b>Budget Increase</b>	<b>Revised Total Budget</b>
Airline Realignment Scope	\$136,500,000	\$500,000	\$137,000,000
Concourse B UA Lounge	\$18,000,000	\$3,252,000	\$21,252,000
TRA Value	\$13,600,000	\$1,900,000	\$15,500,000
Other project costs	\$4,400,000	\$1,352,000	\$5,752,000
<b>Total</b>	<b>\$154,500,000</b>	<b>\$3,752,000</b>	<b>\$158,252,000</b>

**ALTERNATIVES AND IMPLICATIONS CONSIDERED**

**Alternative 1** – Approve only the UA Lounge budget increase of \$3,252,000 and TRA execution. Do not approve the Airline Realignment budget increase of \$500,000.

Cost Implications: \$3,252,000

Pros:

- (1) This is the lower cost alternative.
- (2) Funds would remain available for other Aviation capital priorities.
- (3) Allows UA lounge to co-locate their lounge with current gate assignments.

Cons:

- (1) The Airline Realignment project may need to return to Commission at a future date for additional funding if necessary.

This is not the recommended alternative.

**Alternative 2** – Increase both project budgets and authorize the TRA execution to deliver the Concourse B UA Lounge and complete remaining Airline Realignment scope.

Cost Implications: \$3,752,000. This results in a total estimated project cost of \$158,252,000.

Pros:

- (1) Fulfills the Port’s like-for-like replacement obligation under SLOA IV.
- (2) Provides a permanent replacement lounge on Concourse B that aligns with UA’s relocated operations.
- (3) Supports completion of remaining Airline Realignment scope.
- (4) Supports improved gate utilization and continued optimization of international-capable Concourse A facilities.

Cons:

- (1) Funds will be unavailable for other uses.
- (2) This is the higher cost alternative.

***This is the recommended alternative.***



Meeting Date: July 14, 2026

**Financial Analysis and Summary**

Project cost for analysis	\$158,252,000
Business Unit (BU)	Gates
Effect on business performance (NOI after depreciation)	NOI after depreciation will increase due to inclusion of capital (and operating) costs in airline rate base.
IRR/NPV (if relevant)	N/A
CPE Impact	\$0.49 in 2028

**Future Revenues and Expenses (Total cost of ownership)**

The project team is working with Aviation Maintenance and Facilities and Infrastructure groups to finalize the existing asset data and coordinate the phased delivery of in-use assets. Operating and maintenance costs for new infrastructure and systems will be determined later.

**ATTACHMENTS TO THIS REQUEST**

- (1) Presentation slides

**PREVIOUS COMMISSION ACTIONS OR BRIEFINGS**

June 25, 2024 – The Commission authorized the balance of the Post-IAF Airline Realignment construction scope and noted that the UA lounge would return under a separate reimbursement agreement and future authorization request.

January 9, 2024 – The Commission authorized \$7,500,000 to advance the project schedule for the Post-IAF Airline Realignment project.

September 26, 2023 – The Commission authorized \$14,400,000 for enabling construction work, procurement of long lead items, an increase in project authorization, and execution of a project labor agreement for the Post-IAF Airline Realignment project.

September 12, 2023 – The Commission was briefed on program status and the schedule for future authorization requests.

February 14, 2023 – The Commission authorized \$7,000,000 to amend a project-specific design contract and execute a change order to the GCCM pre-construction services contract for the Post-IAF Airline Realignment project.

March 23, 2021 – The Commission authorized \$26,000,000 for project-specific service agreements, GCCM pre-construction services, Port crews, and an MOA with UA in support of the Post-IAF Airline Realignment project.

Item No.	10a_supp
Date of Meeting	July 14, 2026

# Post-IAF Airline Realignment Concourse B UA Lounge Buildout C801158

July 14, 2026

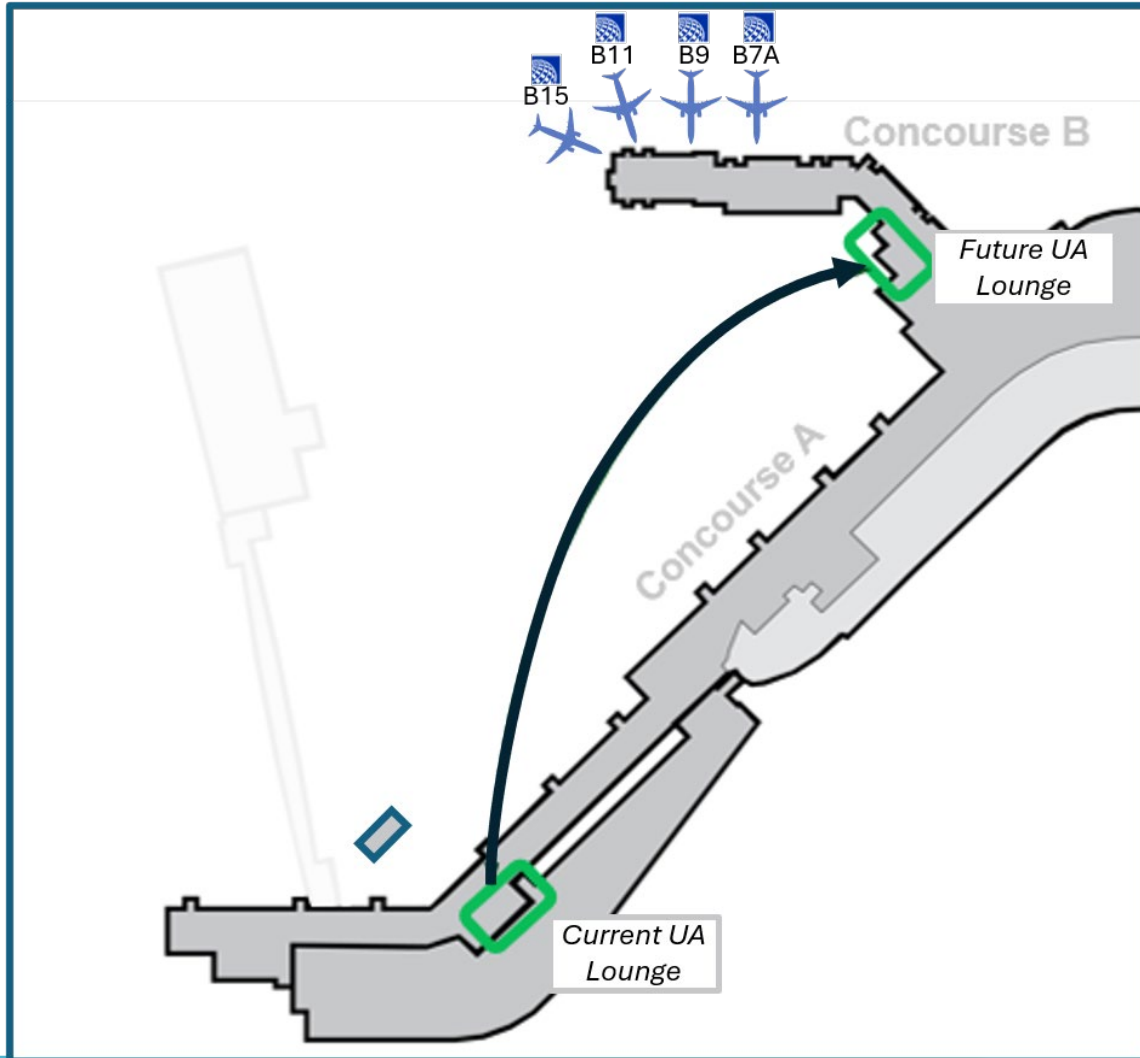


# Background/Justification

- Pursuant to SLOA IV and the Joint Signature Letter (JSL) signed with UA in March 2021, the Port relocated UA aircraft operations, preferential gates, and support spaces from Concourse A to Concourse B as part of the Post-IAF Airline Realignment.
- Execution of the TRA will satisfy the Port's requirement to provide UA with a like-for-like replacement lounge per SLOA IV.
- **Relocation of UA's lounge is the final step in completing the multi-year Airline Realignment project.**

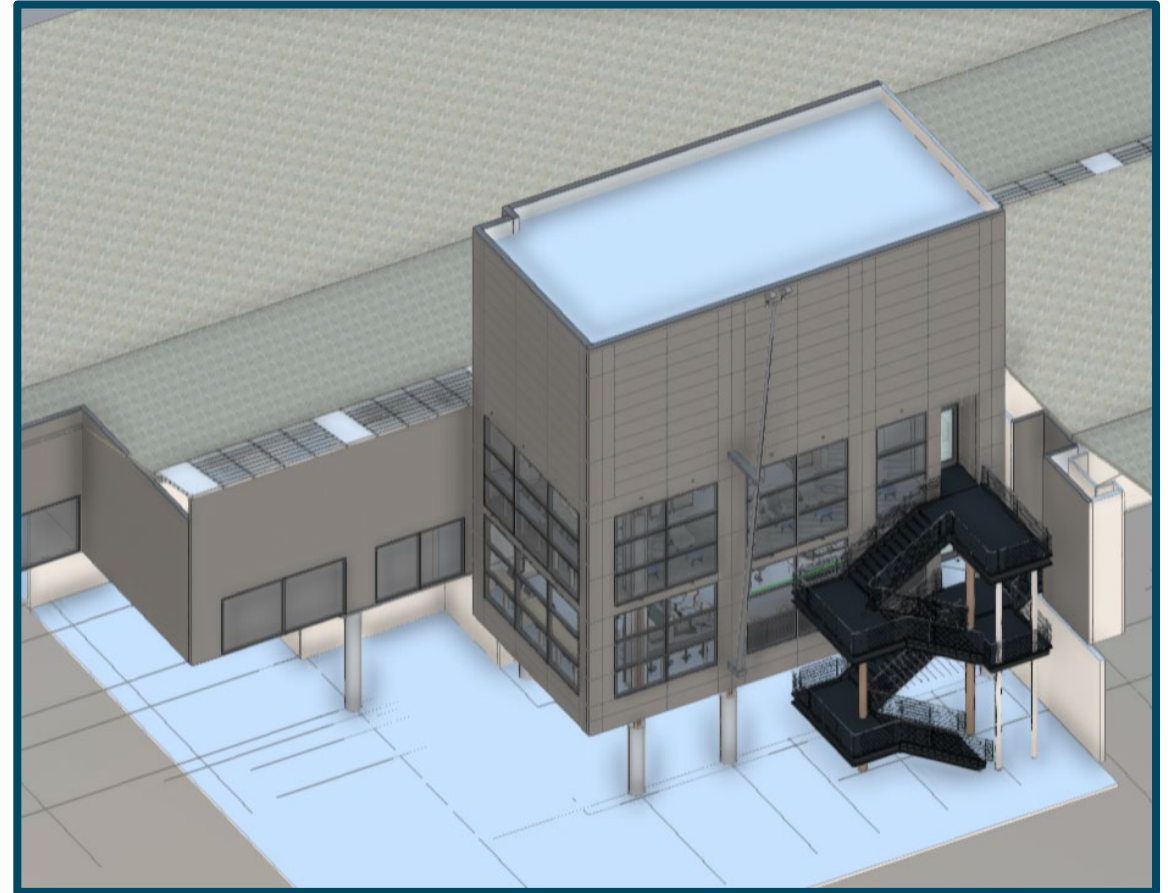
# Future Concourse B United Airlines Lounge

(former Amex Lounge)



# Future Concourse B United Airlines Lounge

(former Amex Lounge)



# Cost Breakdown

	Current Budget	Budget Increase	Revised Total Budget
Airline Realignment	\$136,500,000	\$500,000	\$137,000,000
Concourse B UA Lounge	\$18,000,000 <small>(2021 Estimate)</small>	\$3,252,000	\$21,252,000
<i>TRA Value</i>	<i>\$13,600,000</i>	<i>\$1,900,000</i>	<i>\$15,500,000</i>
<i>Other project costs</i>	<i>\$4,400,000</i>	<i>\$1,352,000</i>	<i>\$5,752,000</i>
<b>TOTAL</b>	<b>\$154,500,000</b>	<b>\$3,752,000</b>	<b>\$158,252,000</b>

# Request

- 1) Increase the Post-IAF Airline Realignment project budget by \$3,752,000;
- 2) Execute a Tenant Reimbursement Agreement with United Airlines for \$15,500,000 to support the construction of the Concourse B United Airlines Lounge; and
- 3) Authorize the remaining project budget of \$17,352,000.

This results in a total estimated project cost of \$158,252,000.

# Questions?



**COMMISSION  
AGENDA MEMORANDUM**

**Item No.** 11a

**BRIEFING ITEM**

**Date of Meeting** July 14, 2026

**DATE:** June 22, 2026  
**TO:** Stephen P. Metruck, Executive Director  
**FROM:** Chris Wimsatt, Chief Financial Officer  
Michael Tong, Director, Corporate Budget  
**SUBJECT: 2027 Budget Development Briefing**

**EXECUTIVE SUMMARY**

The purpose of this briefing is to provide the Commission and the public a preview of the budget development. Staff would also like to seek the Commission's feedback on the guidance on preparation of the 2027 budget.

This is one of a series of budget briefings to the Commission starting from July prior to the formal Commission reviews and approvals of the 2027 budget from September to November.

**ATTACHMENTS TO THIS BRIEFING**

- (1) Presentation slides

**PREVIOUS COMMISSION ACTIONS OR BRIEFINGS**

- June 11, 2026 – Commission Budget Study Session on Commission Priorities
- March 12, 2026 – Commission Retreat on Resource Conscious & Levy Scenario

# Port of Seattle 2027 Budget Development Briefing

July 14, 2026



4

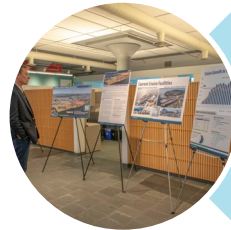
# Agenda



Environmental Scan



2027 Budget Principles & Strategies



2027 Budget Approach and Process



2027 Key Budget Dates

# Environmental Scan Summary



Unprecedented **political and economic uncertainty**



Effects of **trade, immigration and other policy actions**



Post pandemic **growth moderating**

Multiple years of **rapid expense growth**



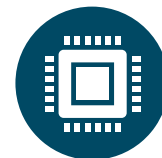
**Federal funding reductions and weakening operating revenues**



**Cuts in federal climate change programs and funding**



Impact of **increased inflation due to tariffs** on operating, capital and environmental costs



**Rapid technological advances** including Artificial Intelligence and growing sophistication of cyber threats

# 2027 Budget Guiding Principles

- **Align Expense Growth with Forecasted Revenue**
  - Operating expense growth should track closely with forecasted revenue growth
- **Implement a Modified Zero-Based Budget Approach**
  - Depts should begin from a baseline that recognizes unavoidable contractual or legally mandated cost increases
- **Set an Operating Expense Growth Cap Tied to Forecasted Revenue Growth**
  - All depts need to meet an overall operating expense growth target tied to forecasted revenue growth.
- **Structural Cost Increases Above the Target Need Operational, Regulatory, and/or Revenue Justification**
  - Addition of new position, functions or expenses will be considered extraordinary and will require extraordinary justification.

# 2027 Budget Strategies

- Review and prioritize operational needs to **limit expense growth**
- Review the needs to fill **all the vacant positions**
- **Limit new FTEs** to roles that support revenue growth, economic development, or efficiency measures
- Assess **affordability of capital plans** considering increased inflation and revenue risks
- Strengthen the **focus on sustainability, adaptability and resiliency** in spending and business plans

# 2027 Budget Issues

- Very moderate passenger growth at SEA in the initial estimate
- Inflation remains above long-term average and Fed 2% target
- COLA and Pay increases for both Represented and Non-Represented employees
- Healthcare costs and some contractual increases
- Unbudgeted and under-budgeted items in the 2026 budget, such as Organization Continuity Resilience (OCR) and South King & Port Community Fund (SKPCF)
- Vacant positions review
- Commission Priorities and Community Programs

# 2027 Modified Zero-Based Budget Approach

## Review Expense by Categories:

- Backfill and Vacant FTEs, esp. those more than 12 months
- Outside Services (and Contractual Increase)
- TBCD and Promotion Exp
- Equipment and Supplies & Stock Exp
- Travel and Other Employee Exp
- Other Expenses

# 2027 Modified Zero-Based Budget Approach

- **Expense Priorities**

- Critical (regulatory, must do/have)
- Necessary (need to do/have)
- Desirable(want to do/have)

## **Expense Service Levels**

- Eliminate
- Reduce
- Maintain
- Enhance/Increase

# 2027 Modified Zero-Based Budgeting Process

- Corp F&B provided Modified ZBB template based on 2026 budget items (and vacant positions) for dept reviews on 4/24
- Depts review each Expense Category and all vacant positions
- Depts prioritize their expenses and identify the potential service level for 2027
- Depts complete the reviews by May 15
- Corp F&B reviews, follows up, and summarizes the info by May 29

# 2027 Budget Process Overview

## Environmental Scan

- Assess business environment and needs
- Update operating and capital forecasts
- Conduct SWOT analysis

## Budget Preparation

- Develop budget assumptions and drivers
- Identify key financial metrics and budget targets
- Issue budget calendar and departmental guidelines
- Prepare operating and capital budgets in accordance with principles and guidelines

## Budget Reviews and Approvals

- Conduct internal department and division budget reviews
- Publish the preliminary budget document to the public
- Commission review and approval of budgets/capital plans

## Final Steps

- File the Statutory Budget with King county
- Publish the final budget document to the public

# 2027 Budget Calendar

(Commission Items in Blue)

---

3/12 – Commission Retreat on Resource Conscious & Levy Scenario

5/08 – 2027 Budget Planning Discussion with ELT

6/23– Commission Budget Study Session – Commission Priorities

7/02 – 2027 Budget Guidelines available

7/14 – Commission Budget Retreat – Capital Project

7/14 – 2027 Budget Development Commission Briefing

7/31 – Central Services Department new budget requests due to F&B; Commission Priorities due to ED

8/12 – 08/21: Executive review of Central Services Department Budgets/New Requests

9/09 – Executive review of combined Central Services Budget

9/09 – Executive review of Maritime and EDD Operating & Capital Budgets

9/10 – Executive review of Aviation Operating & Capital Budgets

9/11 – 2027 North Harbor Budget to the NWSA

# 2027 Budget Calendar

(Commission Items in Blue)

---

09/22 – Central Services Budget and Portwide Budget Overview Commission briefing

10/09 – POS/NWSA ILA Service Directives due to the NWSA

10/13 – Operating Divisions Commission Budget Study Session

10/15 – NWSA Budget study session with Managing Members

10/20 – 2027 Preliminary Budget Document available to Commission

10/22 – 2027 Preliminary Budget Document available to the public

10/27 – Tax Levy & Draft Plan of Finance Commission briefing

11/03 – NWSA Budget adoption by Managing Members

11/10 – Introduction of preliminary 2027 Budget and public hearing

11/17 – Adoption of 2027 Budget

11/25 – File the 2027 Statutory Budget with King county

12/04 – Publish the 2027 Final Budget to the public