COMMISSION
AGENDA MEMORANDUM **Item No.** 10b

ACTION ITEM **Date of Meeting** November 17, 2026

DATE : November 17, 2026

TO: Stephen P. Metruck, Executive Director

FROM: Katie Gerard, Senior Human Resources Director
Kecia Reichstein, Human Resources Director—Total Rewards

SUBJECT: Changes to the Salary and Benefit Policy Directive for 2027

ACTION REQUESTED

Request introduction of the Salary and Benefits Resolution No. 3858, amending the policy directive for salaries and benefits for employees not covered by a collective bargaining agreement established by Resolution No. 3841 and providing an effective date for all amendments as of January 1, 2027.

Following this presentation and subsequent vote on introduction, staff will return to request adoption of the Resolution on November 23, 2026.

EXECUTIVE SUMMARY

The Salary and Benefits Resolution is the Port Commission's authorization of the pay and benefits programs that are part of the Port's overall Total Rewards package for non-represented employees. RCW 53.08.170 requires the Port Commission to authorize pay and benefits for non-represented employees by resolution. The Executive Director has the authorization to take necessary action to make effective all terms, provisions, and conditions within the Salary and Benefits Policy Directive. The Salary and Benefits Resolution establishes the pay ranges for non-represented jobs, authorizes new and updates existing elements of the compensation program and authorizes updates to benefits plans that comprise the overall benefits package offered to non-represented Port employees. This introduction will highlight the recommended Non-Represented Graded Salary Range Structure and the Executive Leadership Graded Salary Range Structure, as well as recommended additions, deletions, and changes to the Salary and Benefits Policy Directive that are contained in Resolution No. 3841, provided in the package for the 2026 Salary and Benefits Resolution.

JUSTIFICATION

The Salary and Benefits Policy Directive specifies the pay and benefits programs authorized by the Port Commission, while the specifics of these programs are authorized by the Executive Director and Senior Human Resource Director, and the administrative details are maintained in

Port policies and program guides. The Policy Directive also includes benefits offered to Port of Seattle retirees and to Port Commissioners, as well as the specifics and administrative details of these benefits. Updates to the program are designed to keep the authorized pay and benefits plans current and ensure the Total Rewards package continues to support the attraction and retention of employees with the talents and abilities necessary for the Port to achieve its mission, vision, and goals.

This year's recommendations include an adjustment to the Non-Represented Graded Salary Range Structure and Executive Leadership Graded Salary Range Structure, in addition to some other suggested recommendations.

DETAILS

The 2027 Salary and Benefits Resolution includes the following recommended updates.

Definitions

In Section 2, Definitions, Adjust the definition "Intern" to be inclusive of both academic and non-academic career pathways in alignment with the Talent Connections programs.

Policy Establishing Jobs, Pay Grades, Graded Pay Range Structure, and Pay Practices and Pay Types

In Section 5.1.C, Non-represented and Executive Graded Salary Range Structures will be updated. The Port's goal is to have pay ranges for non-represented jobs reflect as closely as possible the market pay rates for the Port's non-represented jobs. This year our assessment indicates that a 3.17% increase to the range structures will be necessary to maintain market competitive pay ranges in 2027.

It is important to note that when the Port adjusts pay ranges, employees do not receive corresponding increases to their pay rates. This is different from how many public employers administer pay for their non-represented employees. Only employees whose pay is below the new minimum of the pay range for their job will receive an automatic pay increase, and the amount of increase will be just the amount necessary to bring employees' pay to the minimum of the range. With our recommended 3.17% increase to the range structures, we estimate that 9 employees will require an adjustment to bring them to the range minimum, with a cost of $14,194.52.

Section 5.1.F(2) Shift Differential. This pay type is an established pay type for non-represented employees, but is proposed to be included in the Salary and Benefits Resolution to enhance transparency around the Shift Pay premium.

In section 5.1.F.(6), Multilingual Premium will be updated to Multilingual Pay. This section has been modified to reflect Multilingual Pay as additional pay rather than a pay premium.

Policy Establishing Pay Rates and Pay Ranges for Non-Assessed Jobs
Section 5.1.G.(2) has been modified to include Port Pathways Interns.

Policy Regarding Benefit Programs Offered to Retirees

Section 5.3.G Voluntary Employee Beneficiary Association (VEBA) Trust. This section has been modified to reflect the established VEBA (Voluntary Employees' Beneficiary Association) trust.

SUMMARY

The 2027 Salary and Benefits Resolution includes a few changes. In addition to the changes noted here we regularly review the language in the Salary and Benefits Policy Directive to identify more succinct ways to describe programs and clearer language to use. This year is no different and in addition to the recommended additions, deletions and updates we have identified several places where we will be suggesting edits to the Salary and Benefits Policy Directive to clarify a point, remove redundancy, or otherwise make the information clearer and easier to read.

FINANCIAL IMPLICATIONS

This year's Salary and Benefits Resolution changes do have an impact on the Port's payroll and related costs. By adjusting the Non-Represented and Executive Graded Salary Structure, we estimate 9 employees will need an adjustment to bring their base pay to the new recommended pay range minimum at an estimated cost of $14,194.52.

ATTACHMENTS TO THIS REQUEST

(1) Draft Resolution No. 3858
(2) Attachment A_2027 Non-Represented Graded Salary Range Structure
(3) Attachment B_2027 Executive Graded Salary Range Structure
(4) Exhibit A_2027 Schedule of Authorized Non-Represented Jobs
(5) 2026 Pay Ranges for Non-Represented and Executive Jobs (for information only)
(6) Presentation

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

None