



Port of Seattle Regular Commission Meeting

August 12, 2025



COMMISSION REGULAR MEETING AGENDA

August 12, 2025

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. To listen live, call in at +1 (206) 800-4046 or (833) 209-2690 and Conference ID 258 158 695#

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 a.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 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 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, August 12, 2025. ***(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.

8. CONSENT AGENDA (*consent agenda items are adopted by one motion without discussion*)

8a. Approval of the Regular Meeting Minutes of July 8, 2025. **(no enclosure)**

8b. Monthly Notification of Prior Executive Director Delegation Actions July 2025. **(memo enclosed)** – For Information Only.

8c. Approval of the Claims and Obligations for the Period of July 1, 2025, through July 31, 2025, Including Accounts Payable Check Nos. 958749 through 959299 in the Amount of \$11,132,936.94; Accounts Payable ACH Nos. 075601 through 076541 in the Amount of \$90,001,075.04; Electronic Fund Transfer Nos. 069473 through 069495 in the Amount of \$22,913,517.65; Payroll Check Nos. 229174 through 229347 in the Amount of \$223,210.74; and Payroll ACH Nos. 1259761 through 1264791 in the Amount of \$18,997,379.98, for Total Payments of \$143,268,120.35. **(memo enclosed)**

8d. Authorization for the Executive Director to Execute a New Collective Bargaining Agreement Between the Port of Seattle and the International Association of Firefighters, Local 1257, Representing Firefighters, Captains and Battalion Chiefs at the Fire Department Covering the Period from January 1, 2025, through December 31, 2027. **(memo and agreement enclosed)**

8e. 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 Traffic Support Specialists at the Police Department Covering the Period from January 1, 2025, through December 31, 2026. **(memo and agreement enclosed)**

8f. Authorization for the Executive Director to Execute Two Indefinite Delivery, Indefinite Quantity (IDIQ) Contracts for \$7,500,000 Each for Aviation Planning Services at Seattle-Tacoma International Airport, for a Total Amount Not-to-Exceed \$15,000,000. **(memo enclosed)**

8g. Authorization for the Executive Director to Approve Additional Funding for Design and Construction of the Waterfront Smart Meters Program in the Amount of \$4,000,000, for a Total Authorized Amount of \$4,475,000, and a Total Estimated Program Cost of \$13,000,000. (CIP #C801269) **(memo and presentation enclosed)**

8h. Authorization for the Executive Director to Execute a Program Design Support Services Agreement for Terminal 91 Capital Projects Included in the 5-Year Capital Plan. **(memo enclosed)**

8i. Authorization for the Executive Director to Authorize Budget and to Execute Contract(s) for the Acquisition of Approximately Twenty-Nine Police Vehicles and the Equipment Required to In-Service the Vehicles, in the Requested Amount of \$3,030,000. **(memo and presentation enclosed)**

- 8j. Authorization for the Executive Director to Take All Steps Necessary to Complete the South 160th Street TNC Lot Improvement Project at Seattle-Tacoma International Airport, in the Requested Amount of \$1,100,000, for a Total Estimated Project Cost of \$8,400,000. (CIP #C801186)
(memo and presentation enclosed)

10. NEW BUSINESS

- 10a. Authorization for the Executive Director to Complete Design and Permitting to Replace the Existing Piers 1 and 2 of the Northwest Dock at Fishermen’s Terminal in the Requested Amount of \$5,900,000, for a Total Preliminary Estimated Project Cost \$50,000,000 - \$70,000,000. (CIP #C800444)
(memo and presentation enclosed)

11. PRESENTATIONS AND STAFF REPORTS

- 11a. Q2 2025 Financial Performance Briefing. **(memo, report, and presentation enclosed)**

12. QUESTIONS on REFERRAL to COMMITTEE and CLOSING COMMENTS

13. ADJOURNMENT



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

APPROVED MINUTES COMMISSION REGULAR MEETING

July 8, 2025

The Port of Seattle Commission met in a regular meeting Tuesday, July 8, 2025. The meeting was held at the Port of Seattle Headquarters Building Commission Chambers, located at 2711 Alaska Way, Seattle Washington, and virtually on Microsoft Teams.

1. CALL to ORDER

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

At this time, Commission President Hasegawa welcomed guests in attendance from the Foreign Trade University in Hanoi, Vietnam, here in Seattle and the United States to evaluate factors driving the restructuring of global supply chains and Vietnam's adaptation strategies - Dr. Binh Thi Nguyen; Dr. Yen Thi Nguyen; and Ms. Trang Van Nguyen, all experts in their fields, conducting important research in supply chains and logistics, and readying the next generation of talent in Vietnam.

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

No Special Orders of the Day were presented.

5. EXECUTIVE DIRECTOR'S REPORT

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

6. COMMITTEE REPORTS

Erica Chung, Commission Strategic Advisor, provided committee reports.

Digital recordings of the meeting proceedings and meeting materials are available online – www.portseattle.org.

Portwide Arts and Culture Board

Commissioners Calkins and Felleman participated in the Portwide Arts and Culture Board meeting on Monday, June 23, 2025. The special meeting was held for the purpose of electing a new member to the Board. Members elected Emily Tanner-McLean.

Aviation Committee

Commissioners Felleman and Cho convened the Aviation Committee on June 26, 2025. Commissioners received a comprehensive update on the Port's preparations for FIFA World Cup 2026, including infrastructure improvements, fan activities, security planning, volunteer coordination, and regional branding opportunities. Commissioners asked questions about federal and state support of the festivities and gave guidance on coordination with event stakeholders.

7. PUBLIC COMMENT

- The following person spoke regarding cruising and 2025 milestones of Carnival Cruise Lines: Sandy Olsen, Carnival Corporation.
- The following people spoke in opposition to Agenda Item 8f and against the Port using the Long Shore Union to conduct the work at the grain terminal: Carl Ryan; Brett Lawson; Xavior Lange-Washington; Luke Anderson; Tori Westman; Misty Wheeler; Nicole Grant; and Sean Bagsby.

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 Special Meeting Minutes of June 16 and 17, 2025, and the Regular Meeting Minutes of June 24, 2025.

8b. Monthly Notification of Prior Executive Director Delegation Actions June 2025.

Request document(s) included an agenda memorandum for information only.

8c. Approval of the Claims and Obligations for the Period of June 1, 2025, through June 30, 2025, Including Accounts Payable Check Nos. 958346 through 958748 in the Amount of \$7,668,006.04; Accounts Payable ACH Nos. 074791 through 075600 in the Amount of \$133,386,342.45; Electronic Fund Transfer Nos. 069454 through 069472 in the Amount of \$26,420,379.77; Payroll Check Nos. 229071 through 229173 in the Amount of \$134,545.59; and Payroll ACH Nos. 1254646 through 1259760 in the Amount of \$20,726,529.10, for Total Payments of \$188,335,802.95.

Request document(s) included an agenda memorandum.

- 8d. Authorization for the Executive Director to Authorize Design and Preparation of Construction Bid Documents for the Biffy Facility Improvements Project; to Advertise, Award, and Execute a Major Works Construction Contract; to Execute Related Project Change Orders, Amendments, Work Authorizations, Purchases, Contracts and Take Other Actions Necessary to Support and Deliver the Project within the Approved Budget; and to Authorize Use of Port of Seattle Crews to Support Design and Construction Activities, in the Requested Amount of \$6,000,000, for a Total Estimated Cost of \$6,300,000. (CIP #C801411).**

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

- 8e. Adoption of Resolution No. 3836: A Resolution Amending Resolution No. 3737 and the Diversity in Contracting Policy Directive to Increase Women and Minority Business Opportunities.**

Request document(s) included an agenda memorandum, resolution, and previously adopted resolution).

- 8f. Authorization for the Executive Director to Execute a New Collective Bargaining Agreement Between the Port of Seattle and the International Brotherhood of Electrical Workers, Local 46, Representing Five Utility Workers Assigned to the Port of Seattle Aviation Maintenance Department, Covering the Period from June 1, 2023, through May 31, 2026.**

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

- 8g. Authorization for the Executive Director to Execute a Memorandum of Understanding Related to the 2018 Project Labor Agreement Between the Port of Seattle and Seattle/King County Building and Construction Trades Council and Western States Regional Council of Carpenters.**

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

- 8h. Authorization for the Executive Director to Approve Additional Funding to Award and Execute the Validation Period of the Major Public Works Progressive Design Build Contract for the T91/P66 Cruise Shore Power Extension Project, in the Requested Amount of \$1,100,000, for a Total Project Authorization of \$10,450,000. (CIP #C801983).**

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

The motion for approval of consent agenda items 8a, 8b, 8c, 8d, 8e, 8f, 8g, and 8h 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. Authorization for the Executive Director to Advertise and Execute a General Contractor, Construction Manager Construction Contract and Authorize Pre-Construction Services for Concourse HVAC Infrastructure Renewal Replacement Project at Seattle-Tacoma International Airport, in the Requested Amount of \$11,000,000, for a Total Project Authorization of \$18,250,000 (CIP # C801265).

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

Presenter(s):

Trevor Emtman, Infrastructure Capital Program Leader, Aviation Project Management Group
Paula Munter, Capital Project Manager IV, AV Project Management Group
Joe Cook, AV Facilities Discipline Manager, AV Facilities and Infrastructure

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

The presentation addressed:

- aging infrastructure impacting critical programs;
- project scope and location;
- energy reduction opportunities;
- project schedule; budget; and risks; and
- next steps.

Discussion ensued regarding:

- seeking full design authorization in 2026;
- increases in the estimated project cost range and efforts taken to identify future project 'unknowns;' and
- geographic region of the project;

Commissioner Cho opined that the Port should be tracking increases in projects due to increased tariffs and these cost or delay impacts on capital improvement projects.

Discussion continued regarding:

- seeing alternatives for reductions in greenhouse gas emissions represented in the project 'cone of certainty' projection;
- air quality filters and processes; and
- how the project integrates with the port's physical plant.

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. Q2 2025 Financial Performance Briefing.

Presentation document(s) included an agenda and presentation.

Presenter(s):

Elizabeth Morrison, Director, Corporate Finance, Finance and Budget
Michael Tong, Director of Corporate Budget, Finance and Budget

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

The presentation addressed:

- the environmental scan with respect to federal, state, and local economic and policy factors;
- planning for the Port of the Future;
- 2026 budget guiding principles and strategies;
- the 2026 budget approach;
- the budget process overview; and
- the 2026 budget calendar.

Discussion ensued regarding:

- concerns related to potential contradiction in federal goals with Port goals;
- ascertaining the loss of future cost savings with respect to changes in federal funding and grant funding, and factoring in forecast considerations in the capital planning process;
- balancing deferred maintenance;
- SEA looking at lifecycle cost analyses; and
- federal impacts related to tariffs; uncertainty in federal funding; reduced revenue in cargo; and other considerations affecting budget and operations

Commissioner Cho spoke to his concerns related to capital project impacts as a result of cuts in federal funding and asked that a graph be produced and categorized by 'must haves, nice to haves, and lower priority' projects. He also spoke to the importance of identifying where increased revenue could be generated. Commissioner Cho stated he would like this information prior to passage of the budget in the Fall.

Discussion continued regarding also identifying efficiency opportunities.

12. QUESTIONS on REFERRAL to COMMITTEE and CLOSING COMMENTS

Commissioner Felleman spoke regarding federal challenges being passed onto the states and separately, stated that clarification may be needed regarding the Port's role and extent of authority associated with being a landlord port.

Commissioner Calkins welcomed Commission Office interns Aaron Gaul and Kian Naeemi.

Commissioner Hasegawa noted the cancellation of the July 22, 2025, Commission regular meeting.

13. ADJOURNMENT

The meeting adjourned at 1:34 p.m.

Prepared:

Attest:

Michelle M. Hart, Commission Clerk

Sam Cho, Commission Secretary

Minutes approved: August 12, 2025



**COMMISSION
AGENDA MEMORANDUM
FOR INFORMATION ONLY**

Item No. 8b
Date of Meeting August 12, 2025

DATE: August 1, 2025
TO: Stephen P. Metruck, Executive Director
FROM: Karen R. Goon, Deputy Executive Director

SUBJECT: Monthly Notification of Prior Executive Director Delegation Actions July 2025

APPROVAL SUMMARY

Notification of the following Executive Director delegated approvals that occurred in July, 2025

Category of Approval	Request#	Description of Approvals July 2025	Category Amount
Projects & Associated Contracts	2115-2025	Cargo Buildings Preliminary Design and Project Notebook	\$1,450,000.00
Projects & Associated Contracts	2136-2025	T91 Dock Rehab DORA Request	\$1,700,000.00
Projects & Associated Contracts	2131-2025	C801320 Security Cameras	\$460,000.00
Projects & Associated Contracts	2125-2025	Airfield Environmental Mitigation (PFAS)	\$1,500,000.00
Projects & Associated Contracts	2147-2025	Parking Garage Dry Standpipe Mods	\$489,000.00
Projects & Associated Contracts	2151-2025	2-Way Elevator Lobby Communication - 30% Design Funds	\$950,000.00
Projects & Associated Contracts	2186-2025	Technical Consulting Expert Resources for AV Maintenance Capital Liaison Team	\$1,900,000.00
Non-Project Procurement of Goods & Purchased Service Contracts, Other Contracts, & Tenant Reimbursement	2176-2025	1-MOA with City of Tukwila for Services Provided by SKC Trips 2025	\$25,000.00
Real Property Agreement		No Approvals in July	\$0.00
Utilization of Port Crews		No Approvals in July	\$0.00
Sale of Surplus Port Property		No Approvals in July	\$0.00

Meeting Date: August 12, 2025

Total Value of Executive Director Approvals			\$8,474,000.00
--	--	--	----------------

TRANSPARENCY:

In approving the delegations for the Executive Director, the Commission requested that staff ensure transparency is built into the process. 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 like this one. Approvals are both timed and designed to be visible in a similar manner to the monthly Claims and Obligations reporting. Second, staff will publish these delegations 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.

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. 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 August 12, 2025

DATE: August 4, 2025
TO: Steve Metruck, Executive Director
FROM: Eloise Olivar, AFR Assistant Director Disbursements
SUBJECT: **Claims and Obligations – July 2025**

ACTION REQUESTED

Request Port Commission approval of the Port Auditor's payment of the salaries and claims of the Port pursuant to RCW 42.24.180 for payments issued during the period July 01 through 31, 2025 as follows:

Payment Type	Payment Reference Start Number	Payment Reference End Number	Amount
Accounts Payable Checks	958749	959299	\$11,132,936.94
Accounts Payable ACH	075601	076541	\$90,001,075.04
**Accounts Payable Electronic Fund Transfer (EFT)	069473	069495	\$22,913,517.65
Payroll Checks	229174	229347	\$223,210.74
Payroll ACH	1259761	1264791	\$18,997,379.98
Total Payments			\$143,268,120.35

*** This line item includes 8 wires transfer totaling \$871,176.67*

Pursuant to RCW 42.24.180, "the Port's legislative body" (the Commission) is required to approve in a public meeting, all payments of claims within one month of issuance.

OVERSIGHT

All these payments have been previously authorized either through direct Commission action or delegation of authority to the Executive Director and through his or her staff. Detailed information on Port expenditures is provided to the Commission through comprehensive budget presentations as well as the publicly released Budget Document, which provides an even greater level of detail. The Port's operating and capital budget is approved by resolution in December for the coming fiscal year, and the Commission also approves the Salary and Benefit Resolution around the same time to authorize pay and benefit programs. Notwithstanding the Port's budget approval, individual capital projects and contracts exceeding certain dollar thresholds are also subsequently brought before the Commission for specific authorization prior to commencement of the project or contract - if they are below the thresholds the Executive Director is delegated authority to approve them. Expenditures are monitored against budgets monthly by management and reported comprehensively to the Commission quarterly.

Meeting Date: August 12, 2025

Effective internal controls over all Port procurement, contracting and disbursements are also in place to ensure proper central oversight, delegation of authority, separation of duties, payment approval and documentation, and signed perjury statement certifications for all payments. Port disbursements are also regularly monitored against spending authorizations. All payment transactions and internal controls are subject to periodic Port internal audits and annual external audits conducted by both the State Auditor's Office and the Port's independent auditors.

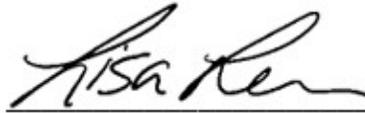
For the month of July 2025, over \$124,047,529.63 in payments were made to nearly 730 vendors, comprised of 2,615 invoices and over 7,902 accounting expense transactions. About 95 percent of the accounts payable payments made in the month fall into the Construction, Employee Benefits, Contracted Services, Payroll Taxes, Leasehold Taxes, Utility Expenses, Sales Taxes, Janitorial Services, Public Expense and Room-Space-Land Rental. Net payroll expense for the month of July was \$19,220,590.72.

Top 10 Payment Category Summary:

Category	Payment Amount
Construction	67,359,193.84
Employee Benefits	16,587,230.31
Contracted Services	9,608,627.07
Payroll Taxes	7,925,587.76
Leasehold Taxes	6,784,725.07
Utility Expenses	3,080,921.48
Sales Taxes	2,146,541.71
Janitorial Services	1,656,255.17
Public Expense	1,515,756.39
Room/Space/Land Rental	1,364,349.68
Other Categories Total:	6,018,341.15
Net Payroll	19,220,590.72
Total Payments	\$143,268,120.35

Meeting Date: August 12, 2025

Appropriate and effective internal controls are in place to ensure that the above obligations were processed in accordance with Port of Seattle procurement/payment policies and delegation of authority.



Lisa Lam/Port Auditor

At a meeting of the Port Commission held on August 12, 2025, it is hereby moved that, pursuant to RCW 42.24.180, the Port Commission approves the Port Auditor's payment of the above salaries and claims of the Port:

Port Commission



**COMMISSION
AGENDA MEMORANDUM**

Item No. 8d

ACTION ITEM

Date of Meeting August 12, 2025

DATE: July 29, 2025

TO: Stephen P. Metruck, Executive Director

FROM: Spruce Metzger, Labor Relations Manager
Milton Ellis, Assistant Director of Labor Relations

SUBJECT: New Collective Bargaining Agreement Between the Port of Seattle and the International Association of Firefighters, Local 1257, representing Firefighters, Captains and Battalion Chiefs at the Port of Seattle

Total Port Cost Increase for the Duration of the Agreement: \$5,677,850

ACTION REQUESTED

Request Commission authorization for the Executive Director to execute a new collective bargaining agreement between the Port of Seattle and the International Association of Firefighters, Local 1257, representing Firefighters, Captains and Battalion Chiefs at the Fire Department covering the period from January 1, 2025, through December 31, 2027.

EXECUTIVE SUMMARY

Good faith bargaining between the International Association of Firefighters, Local 1257, representing Firefighters, Captains and Battalion Chiefs and the Port of Seattle resulted in a fair collective bargaining agreement consistent with the Port’s priorities.

There are currently seventy-three (73) Firefighters, one (1) Fire Marshall, seventeen (17) Captains and seven (7) Battalion Chiefs, employed at the Port of Seattle who are assigned to the Port of Seattle Fire Department. Members of the bargaining unit provide Emergency Services for Aircraft Rescue Fire Fighting, Structural Fire Fighting, Emergency Medical Incidents, Hazardous Material Response, Confined Space Rescue, Fire Prevention Activities involving Building Inspection, Construction Inspection and all other fire safety oversight for the Port of Seattle Properties on and around SEA Airport

The agreement is for three years, covering the period from January 1, 2025, through December 31, 2027. The estimated total cumulative cost for wages and benefit increases is \$5,677,850. The estimated cumulative cost per year of the contract is: year one (2025) \$1,009,122; year two (2026) \$2,863,601; and Year 3 (2027) \$5,677,850.

Meeting Date: August 12, 2025

The cost is based upon a four and a half percent (4.5%) wage increase in year one of the agreement; a cost-of-living increase of 100% of the August-to-August CPI-U for Seattle-Tacoma-Bellevue plus 2% in year two of the agreement (no less than 2% and no greater than 4%); and a cost-of-living increase of 100% of the August-to-August CPI-U for Seattle-Tacoma-Bellevue plus 2% in year three of the agreement (no less than 2% and no greater than 4%).

The cost also consists of an increase of 3% to the Captain and Battalion Chief wage differentials to the Firefighter ‘A’ rate in year 1 of the agreement; and an additional 1% increase to the Captain and Battalion Chief wage differentials to the Firefighter ‘A’ rate in year 3 of the agreement.

The cost also includes a \$50 per month increase to the Port’s monthly contribution to MERP for each employee for a total of \$150 per month effective the first year of the agreement. There is a new provision allowing employees with at least 5 years of service who separate from the Port to roll over up to 50% of unused sick leave into either a HRA/VEBA, MERP or 457(b) deferred comp accounts. The bereavement leave provision was modified to allow the Fire Chief the discretion in determining when the bereavement leave is taken.

Additional changes to the agreement provide that employees may be excused from the Physical Fitness Program provision of the agreement at the discretion of the Battalion Chief. The number of Captains assigned to EMT increased from 8 to 12 per month (3 per shift). A new provision was established that provides a bank of union leave hours for union officers derived from an annual deduction from bargaining unit member’s vacation accrual hours with a cap of 400 hours. The Equal Opportunity Employment provision was modified to align with Port EEO values. Pronoun changes were implemented across the CBA replacing “his/her” pronouns with “their”.

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 January 1, 2025, through December 31, 2027.

FINANCIAL IMPLICATIONS

Wages

Meeting Date: August 12, 2025

Classification	Current Rate	Effective 1/1/25 Base Monthly Rate (4.5%)	Effective 1/1/26 Base Monthly Rate ¹ (Est. 4.0%)	Effective 1/1/27 Base Monthly Rate ² (Est. 4.0%)
Firefighter A	\$10,477/Month	\$10,948/Month	\$11,386/Month	\$11,841/Month
Captain	\$12,363/Month	\$13,247/Month	\$13,777/Month	\$14,446/Month
Battalion Chief	\$14,458/Month	\$15,437/Month	\$16,054/Month	\$16,814/Month

Wage

Members of Local 1257 received a four and a half percent (4.5%) wage increase in the first year of the agreement. In addition, members of the bargaining unit will also receive a cost-of-living increase of 100% of the August-to-August CPI-U for Seattle-Tacoma-Bellevue plus 2% in year two of the agreement (no less than 2% and no greater than 4%); and a cost-of-living increase of 100% of the August-to-August CPI-U for Seattle-Tacoma-Bellevue plus 2% in year three of the agreement (no less than 2% and no greater than 4%).

Captain and Battalion Chief Differentials

Captains and Battalion Chiefs will receive an increase of 3% wage differential to the Firefighter ‘A’ rate in the first year of the agreement; and an additional 1% increase to the Captain and Battalion Chief wage differential to the Firefighter ‘A’ rate in the third year of the agreement.

Other Changes

- Effective the first year of the agreement, the Port will increase the contribution to MERP for members by \$50 per month for a total of \$150 per month.
- Employees with at least 5 years of service can rollover up to 50% of unused sick leave into either a HRA/VEBA, MERP or 457(b) Deferred Compensation account upon separation.
- The EEO provision was modified to align with the Port’s EEO Values.
- A new provision was established that provides a bank of union leave hours for union officers derived from an annual deduction from bargaining unit member’s vacation accrual hours with a cap of 400 hours.

¹This value is based on an estimated wage increase of 4% because the value of the year 2 CPI is unknown at the time of submission.

² This value is based on an estimated wage increase of 4% because the value of the year 3 CPI is unknown at the time of submission.

Meeting Date: August 12, 2025

Cost Impact \$	Year 1	Year 2	Year 3
Pay	\$811,299	\$1,465,674	\$2,250,686
Benefits	\$197,824	\$388,805	\$563,563
Total New Money	\$1,009,122	\$1,854,479	\$2,814,249
Total Cumulative Cost	\$1,009,122	\$2,863,601	\$5,677,850

The estimated total cumulative cost to the Port of Seattle for the duration of the contract is \$5,677,850.

ATTACHMENTS TO THIS REQUEST

1. Collective Bargaining Agreement

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

None

COLLECTIVE BARGAINING AGREEMENT

**BY
AND
BETWEEN**

THE PORT OF SEATTLE



AND

THE PORT OF SEATTLE FIREFIGHTERS



**INTERNATIONAL ASSOCIATION OF FIREFIGHTERS
LOCAL UNION NO. 1257**

JANUARY 1, 2025 - DECEMBER 31, 2027

TABLE OF CONTENTS

<u>ARTICLE</u>	<u>TITLE</u>	<u>PAGE</u>
	Preamble	4
1	Recognition	4
2	Union Membership & Dues	4
3	Non-Discrimination	5
4	Union Business	6
5	Management Rights	7
6	Labor-Management Committee and Accident Review Safety	8
7	Seniority	8
8	Personnel Reduction	9
9	Employee Status	9
10	Discipline and Discharge	10
11	Promotions and Vacancies	11
12	Day Shift Assignments, Selection Process, Temporary Assignments, Temporary Appointment, and Adjusted Work Schedule	11
13	Grievance Procedure	14
14	Policy and Procedures	16
15	Hours of Work and Overtime	16
16	Jury Duty/Subpoenaed Witness	19
17	Sick Leave and Disability	19
18	Paid Parental Leave	23
19	Vacation	23
20	Holidays	25
21	Bereavement/Emergency Leave	27
22	Time Off for Appointments	27
23	Educational Reimbursement	28
24	Military Leave	28
25	Insurance	28
26	Uniforms and Protective Clothing	32
27	Physical Fitness Program	33
28	Physical Capacity Evaluations Requirements	33
29	Savings Clause	33
30	Deferred Compensation	33

31	Change in Working Conditions	34
32	Scope of Agreement	34
33	Strikes and Lockouts	34
34	Staffing Aid Car and Drivers	34
35	Joint Apprenticeship Training Committee Program (JATC)	35
36	Duration of Agreement and Effective Date	36
APPENDIX A	Pay Rates	38
APPENDIX B	Drug Testing/Substance Tests	44
APPENDIX C	Substance Abuse Rehabilitation	49
APPENDIX D	First Aid Facility	50

PREAMBLE

This agreement is between the **International Association of Firefighters Union, Local #1257** (hereinafter referred to as the “**Union**”) and the **Port of Seattle** (hereinafter referred to as the “**Port**”). The purpose of the Union and the Port entering into this agreement is to set forth their entire agreement with regard to wages, hours and working conditions so as to promote efficient and uninterrupted performance of Fire Department functions, morale, safety, and security of bargaining unit employees, and harmonious relations, giving full recognition to the rights and responsibilities of the Port, the Union, and the employees, and to provide the public with efficient and courteous service; to encourage good attendance of employees; and to promote a climate of labor relations that will aid in achieving a high level of efficiency in the Department.

ARTICLE 1 – RECOGNITION

Section 1.01 The Port recognizes the Union as the sole and exclusive bargaining agent for all uniform employees of the Fire Department up to and including the rank of Battalion Chief. The Fire Chief and Assistant Chiefs are excluded from the unit as are all other non-uniform personnel.

Section 1.02 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 Business 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 2 - UNION MEMBERSHIP & DUES

Section 2.1 – Union Membership

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

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.

Section 2.2 – Dues Deduction

The Port agrees to make a deduction from the paycheck of each member covered by this agreement who has so authorized it by signed notice submitted to the Port, limited to the Union initiation fee and regular monthly dues. The Port shall transmit such fees to the Union once each month on behalf of the members involved. The Port will forward the request to the Union electronically within ten (10) business days. If a deduction error is identified, the error will be addressed as soon as practicable.

Section 2.3 – Indemnification

The Union agrees to indemnify, defend, and hold harmless the Port against any claims made and against any suit instituted against the Port on account of any collection of dues for the Union. The Union agrees to refund to the Port any amounts paid to it in error on account of the collection provision upon presentation of proper evidence thereof.

ARTICLE 3 - NON-DISCRIMINATION

Section 3.1 – Union Membership

There shall be no discrimination, interference, restraint, or coercion by the Port against any employee for activity on behalf of, or membership in, the Union.

Section 3.2 – Equal Employment Opportunity

The Port and Union will not tolerate Discrimination against any persons on the grounds of age, race, color, national origin/ancestry, citizenship status, ethnicity, religion, creed, disability, Family Medical Leave Act (FLMA) use, pregnancy, sex/gender, sexual orientation, gender identity, or expression, physical or mental disability, whistleblower status, military affiliation, marital status, veteran status, worker's compensation use, political beliefs, or any other protected status as guaranteed by local, state, and federal laws.

Section 3.3 – Affirmative Action

The Port of Seattle (Fire Department), is a non-exempt Government Contractor subject to the requirements of Executive Order 11246, as amended and its implementing regulations at 41 CFR Chapter 60. The Port of Seattle Fire Department's commitment to Equal Opportunity and Affirmative Action covers all phases, terms and conditions of employment including: recruiting, hiring, placement, compensation, promotion, transfer, disciplinary measures, demotions, layoffs, termination, testing, training, daily working conditions, awards, and benefits.

ARTICLE 4 - UNION BUSINESS

Section 4.1 –Bulletin Board Space

The Port shall provide one bulletin board for the use of the Union in each Fire Station at a convenient location, accessible to employees.

Section 4.2 – Visitation Rights

Authorized representatives of the Union shall be allowed reasonable access to visit work locations of the employees covered by this agreement at any reasonable time or location for the purpose of administering this agreement, investigating possible grievances, or other matters concerning employee-employer relations. Such access shall be permitted in a manner as not to interfere with the functions of the Department or the Port. This section shall apply within the constraints of Federal or State Regulations and Statutes.

Section 4.3 – Leave

The employer shall make available to the Union a total of 144 hours of paid leave per annum for the purpose of allowing Union Officials to attend conventions, conferences, seminars and meetings related to contract administration or labor relations training provided that written notification from the Union President is received by the Fire Chief no more than ninety (90) days in advance with two (2) minimum days' notice. Only two persons per shift will be allowed to be in Union leave status at any point in time. The employer retains the right to restrict such leave when an emergency exists or such leave would cause a danger to public safety or such leave would knowingly cause overtime, at the time of request.

Section 4.4 – Union Leave Bank

A separate Union Leave Bank shall be established and maintained for the purpose of allowing Union Officials to attend conventions, conferences, seminars, and meetings related to contract administration or labor relations training. On or before October 1 (beginning October 1, 2025) of each year, the Union will notify the Port in writing of the number of vacation hours to deduct from each employee's vacation accrual. The number of hours must be in whole hour increments and must be the same for all employees. Deductions will be made by the Port on or before March 15 of each year. The maximum number of hours that can be maintained in the Union Leave Bank is 400 hours, and unused Union hours shall roll over to the following calendar year. Union Leave must be requested in accordance with the same procedures in effect for vacation leave.

1. The 144 Union hours leave bank made available by the employer per Section 4.3 shall be exhausted prior to Local-1257 Union leave bank hours being used.
2. The 144 Union hours leave provided by management and Local-1257 Union Bank Leave hours shall be in two (2) separate banks.

ARTICLE 5 - MANAGEMENT RIGHTS

Section 5.1 – Summary

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.

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

Section 5.2 – Specific and Exclusive Management Rights

Subject to the provisions of this agreement, the Port reserves the right:

- 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 direct and evaluate the performance of work;
- d. To determine the keeping of records;
- e. To determine the job content and/or job duties of employees, with the condition that job content and job duties are consistent with generally recognized Department functions;
- f. To determine methods, processes, means, and personnel necessary for providing service and Departmental operations, including but not limited to: determining the increase, diminution, or change of operations or fire equipment, in whole or in part, including the introduction of any and all new, improved, automated methods of equipment;
- g. To control the Departmental budget, and if deemed appropriate by the Port, to implement reduction in force;
- h. To schedule work 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;
- i. To take whatever actions are necessary in emergencies in order to assure the proper functioning of the Department; and
- j. To manage and operate its Departments except as may be limited by provisions of this Agreement and applicable law.

Section 5.3 – Incidental Duties Not Always Described

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

Section 5.4 – Evaluation

The Union and Management will jointly develop a performance evaluation form. The form will be mutually agreed upon by both parties through the Labor Management Committee. Once developed, any changes to the form must be agreed upon by both parties through the LMC.

ARTICLE 6 - LABOR-MANAGEMENT COMMITTEE AND ACCIDENT REVIEW/SAFETY COMMITTEE

Section 6.1 –Labor-Management Committee

There shall be a Labor-Management Committee consisting of representatives appointed by the Union and representatives appointed by the Port. This article creates a communication process for the purpose of mutual planning and initiating discussions regarding matters of general concern to employees of the Department as opposed to grievances. It is understood that any matter which has been made the subject of a formal grievance under the terms of the labor agreement shall be excluded from consideration by the Labor-Management Committee under this article. Either the Union or the Port may initiate discussion subjects of a general nature affecting the employees of the Fire Department. A meeting of representatives of the Port and Union may be requested by either of the parties and they shall schedule such a meeting at a mutually agreeable time and place; provided that, during the term of this agreement, meetings shall normally be scheduled on a monthly or as needed basis. A proposed agenda shall be prepared jointly and distributed prior to each meeting. Minutes shall be taken and a copy shall be distributed among committee members.

Section 6.2 – Accident Review/Safety Committee

There shall be an Accident Review/Safety Committee established and maintained as defined in the Firefighters Safety Standards of Washington State and will be led by the Logistics Division and comprised of the Battalion Chief of Logistics, one Captain, one Management Representative and two (2) of the four shift safety representatives. No member on the Accident Review Committee shall be on the same shift, division, or supervise the member involved in the accident. The accident review committee shall conduct a no-fault accident review and submit their findings to the Fire Chief.

ARTICLE 7 - SENIORITY

Seniority shall be retroactive to the date of employment in the Port of Seattle Fire Department bargaining unit after satisfactory completion of the probationary period. Seniority shall be broken only by separation from employment including resignation, discharge, medical separation, or retirement (except as provided by statute for duty disability retirement), or by layoff in excess of thirty-six (36) months.

Employees with the same date of employment in the bargaining unit shall be assigned to the seniority list in order of their final score ranking at the internal Port of Seattle Fire Department

Academy, provided, however that lateral hires shall be given seniority over entry level hires with the same date of employment in recognition of their previous completion of the Recruit Academy and immediate entry into the workforce. Ties shall be settled in a manner mutually agreeable to the Union and the Port.

Seniority shall have no required applications except as specifically provided for in this Labor Agreement.

ARTICLE 8 - PERSONNEL REDUCTION

Section 8.1 – Layoff

In the case of a personnel reduction the employee with the least seniority shall be laid off first except as indicated below. The employees shall be recalled in reverse order of layoff with the last laid off first recalled. An employee's seniority status and recall rights shall be retained for a period of thirty-six (36) months following layoff. The Port agrees to notify an employee a minimum of thirty (30) calendar days prior to layoffs.

Section 8.2 – Retention of Seniority and Recall Rights

An employee's seniority status and recall rights shall be retained for a period of thirty-six (36) months following layoff. Within thirty-six (36) months of a layoff, no new employees shall be hired until all laid-off employees have been sent a written recall notice by certified mail, return receipt requested, and given ample opportunity (within twenty-one (21) calendar days from time the notice was received or returned) to return to work. It is the responsibility of the employee to keep the Port informed of a current mailing address while on layoff.

An employee recalled shall return at the same classification held at the time of the layoff. All recalled employees may be required to attend a refresher course offered by the Department and pass the accompanying evaluation.

ARTICLE 9 - EMPLOYEE STATUS

Section 9.1 – Written Notice

The Port shall submit written notice to the Union of the following actions affecting employees: demotion, suspension, termination by type (retirement, disability, discharge for cause), and reduction in force.

Section 9.2 –Seniority List

The Port shall maintain and post annually a current seniority list. This list shall be used whenever called for by specific articles and sections of this agreement.

ARTICLE 10 - DISCIPLINE AND DISCHARGE

Section 10.1 – Progressive Discipline

No employee shall be disciplined or discharged without just cause. Except as indicated in Section 10.5 below or for gross misconduct, discipline shall be applied in a progressive manner with the emphasis on constructively improving the employee's performance rather than just providing punishment. In accordance with: Standards of Performance and Conduct, Corrective Action and Discipline, Port of Seattle HR-18.

Section 10.2 – Documentation Handling

The Union shall be provided copies of disciplinary documentation including warning letters, written reprimands, letters of suspension or demotion, and notifications of discharge for cause. Such documentation shall be handled on a confidential basis.

Section 10.3 – Departmental Procedure

The parties agree that discipline is a command function and that the Fire Department may institute a disciplinary procedure separate from this agreement. Decisions on disciplinary matters where the discipline imposed involves discharge, suspension, demotion, or written reprimands shall be subject to the Grievance Procedure as outlined therein (See Article 13) except as provided in Section 10.5 below.

Additionally, the Union and the Port agree that abuses of the Port attendance policy shall not be condoned. The Union will cooperate with the Port to help assure that attendance standard is maintained.

Section 10.4 - Workplace Responsibility Investigations:

Prior to a Loudermill meeting, the IAFF may request a copy of the Workplace Responsibility investigative report and the Workplace Responsibility investigator's interview notes that resulted in sustained findings against the IAFF member that will be used for disciplinary purposes, provided the investigation commenced on or after January 1, 2021.

The Port will provide an unredacted copy of the Workplace Responsibility report to an authorized IAFF representative unless prohibited by law. The Port will also provide a copy of the interview notes unless the Port has concerns regarding the release of the interview notes; in such case, the parties will promptly confer and attempt to resolve the Port's concerns. Each party expressly reserves its legal rights. This provision is not intended to be a waiver of a request for bargaining information or any other rights pursuant to RCW 41.56 or other law.

The IAFF agrees to exercise due care in sharing witness information, including witness identities

and statements, and to only use or disclose such information as necessary to carry out its representational duties.

Section 10.5 – Probationary Employees

It is recognized that Firefighters are on probationary status for one year from the date of hire. The probationary period may be extended at the discretion of the Fire Chief for the same length of time as the probationary employee has been absent due to bona fide illness or other legitimate reason. The probationary employee shall maintain their probationary rate of pay until the employee has successfully completed the probationary period. Disciplinary measures including discharge for failure to meet standards for such employees shall not be subject to the grievance procedure or to the limitations indicated in Section 10.1 above.

Captains and Battalion Chiefs are on probationary status for one year from date of promotion. The probationary period may be extended at the discretion of the Fire Chief for the same length of time as the probationary employee has been absent due to bona fide illness or other legitimate reason. Captains and Battalion Chiefs promoted from within the bargaining unit who have not successfully completed the probationary period shall be demoted to the position previously held by the employee within the bargaining unit. Captains and Battalion Chiefs appointed from outside the bargaining unit who have not successfully completed the probationary period shall be terminated without recourse to the grievance procedure.

Section 10.6 – Union Representative Present

Any employee subject to an interview which may result in disciplinary action may have a Union Representative present.

ARTICLE 11 - PROMOTIONS AND VACANCIES

The parties will convene a promotional committee to jointly develop promotional testing procedures. The jointly-developed procedures will be mutually agreed upon by both parties through the Labor Management Committee. Once the parties agree, the procedures will be memorialized and distributed throughout the Department. Once developed, any changes to the procedures must be agreed upon by both parties through the LMC. It will be the responsibility of the Fire Chief to make the promotional selection.

ARTICLE 12 – DAY SHIFT ASSIGNMENTS, SELECTION PROCESS, TEMPORARY ASSIGNMENTS, TEMPORARY APPOINTMENTS, AND ADJUSTED WORK SCHEDULE

Section 12.1 -Day Shift Assignments

- a. Day shift assignments will be determined by Management.
- b. It should be understood that no one is exempt from the opportunity to serve in the

day shift capacity and everyone can anticipate being assigned to these responsibilities at least once during their tenure with the Port of Seattle Fire Department.

- c. The day shift assignment to be filled and the necessary qualifications shall be announced by bulletin posted in a convenient location accessible to all employees for a period of at least fourteen (14) calendar days. Certain day shift assignments may require extensive training prior to the actual assignment and those positions shall be posted and the individual may be selected for training purposes up to one (1) year prior to the transfer to the position. An employee who has fulfilled their commitment and is seeking to vacate a position with specialized requirements may be required to remain in the position for up to ninety (90) calendar days while a replacement is trained to competently perform the duties.
- d. In the event requiring the filling of a critical position, a temporary assignment/appointment may be made on an interim basis as prescribed in Section 12.3 and 12.4 of this contract, only until the proper procedure can be completed for filling such vacancies.
- e. Attempts will be made to provide notice of the available assignments to all bargaining unit personnel on authorized leave of more than ten (10) calendar days in duration. These attempts will be made by email and phone. If an employee wants to be contacted for this purpose at a phone number other than their usual contact number, it is their responsibility to notify the Department in advance.
- f. Members interested in available day shift assignments must submit a transfer request, through channels, to be considered eligible for positions available. Said requests must be received by management by the close of business on the 15th day after the initial posting.
- g. Applicants requesting transfer who can demonstrate past experience in fire service assignments related to the available work, or can demonstrate and verify completed training specific to the available assignment will be given additional consideration during the selection process.
- h. Applicants for available firefighter positions must be Firefighter A by the date of appointment to said Position to be qualified for assignments.
- i. Individuals transferred to such day shift assignments serve at the discretion of management. The term of a day shift assignment will depend on the position, personal expertise, additional educational opportunities provided and normally would be for a period of two (2) or four (4) years at the discretion of the employee. An individual can serve additional consecutive terms subject to Management's approval, but must reapply via transfer request at the end of each four (4) year term. (See Appendix A, Pay Rates, 4(c)).
- j. Management will interview applicants prior to a final decision. Management will give priority to longer duration in assignment for those employees that are performing at a high level and desire extended time in the position. Each position and situation will be evaluated on the basis of performance, skill, individual desire and department needs.
- k. When applicants are considered equal in all aspects under consideration for the specific job assignment, the person currently in the position will have priority based upon performance, skill and the employee's desire to extend the assignment. If the

position is being vacated and all things are equal amongst applicants, seniority will have priority. For this purpose, seniority shall be considered as time in rank.

Section 12.2 – Selection Process

The following process shall be followed when selecting individuals for the day shift assignments:

- a. Interested individuals shall apply using a transfer request and route it through channels.
- b. When only one person applies, that individual will be selected if s/he meets the minimum requirements.
- c. Where more than one person applies, the selection shall be limited to those candidates. Where the incumbent is one of the multiple applicants, the incumbent shall be selected provided that:
 1. The incumbent reapplied for the position ;
 2. The incumbent possesses the requisite skills and continues to add value in the position; and
 3. There is no documented evidence of unsatisfactory performance relative to the position.
- d. When no one applies, the choice will be open to all individuals within the rank of Firefighter “A” and the selection will apply the criteria that no one will be required to serve twice until all have served once.

Section 12.3 – Temporary Assignments

A temporary assignment is defined as a period of not less than forty-five (45) calendar days, and not more than six (6) months, with exceptions being made for emergency situations and subject to the following provisions:

- a. All temporary assignments shall be reviewed and approved by the Labor-Management Committee. A quorum consisting of two (2) labor and two (2) management representatives must be present. When the committee reaches consensus, the decision shall be binding. When no consensus is reached, the responsibility for final decisions rests with the Fire Chief.
- b. The Labor-Management Committee shall consider prior to rendering its determination such things as impact on employee vacation and holidays, collateral effect on other Department business, cost savings effectiveness, and any other issues relative to Department business and employee welfare.
- c. Temporary assignments shall not be used in lieu of hiring Full Time Employees.

Section 12.4 – Temporary Appointments

A temporary appointment is defined as having the same authority, responsibility, rights and privileges associated with that rank and is subject to the same conditions of Section 12.3. Temporary appointments shall not be used in lieu of promotion from the current eligibility list.

Section 12.5 – Adjusted Work Schedule

For assignments less than forty-five (45) calendar days, Management upon at least five (5) days advance written notice to the employee with a copy to the Union, can adjust an employee's schedule for training opportunities, jury duty, or short-term special assignments contingent on the employee's agreement. The adjusted schedule will be compensated consistent with the provisions of applicable wage and hour laws.

ARTICLE 13 - GRIEVANCE PROCEDURE

Section 13.1 - Grievance Defined

The purpose of this Grievance Procedure is to establish an effective process for the fair, expeditious, and orderly adjustment of grievances. A grievance is defined as an alleged violation of the collective bargaining agreement. Longstanding conditions which have been mutually accepted through past practice and which are not specifically addressed in this labor agreement shall not be subject to the Grievance Procedure.

An employee aggrieved by a final decision where the discipline involved results in suspension, demotion, discharge, or written reprimand may proceed by filing a written grievance as outlined in Step 2 of this grievance procedure.

Section 13.2 - Time Limits

Except as otherwise provided in this paragraph, the Employee or the Union shall have no more than thirty (30) calendar days from the incident that precipitated the grievance to instigate the formal grievance procedure steps as identified in Section 13.4 below. However, in the event of a pay-roll issue, the time limitation shall be established as thirty (30) calendar days from the letter date the grievance party became AWARE of the grievance.

A grievance not brought within the time limit prescribed in Step 1, or submitted within the time limits prescribed for every step thereafter, shall not be considered timely and shall be void. The time limits prescribed in Section 13.4, Step 2 through 3 may be waived at each step by mutual agreement, in writing, by the aggrieved employee or the Union (in a class grievance), and the Fire Chief or appropriate management representative.

Section 13.3 - Informal Resolution

Before a grievance is filed formally, every effort must be made to resolve differences between the employee and the immediate supervisor. Also, the grievance should be reviewed on an informal basis through the chain of command within the Fire Department.

Section 13.4 - Grievance Procedure

STEP 1

If the grievance is not resolved informally, the affected employee shall present the grievance to the Union to determine if the grievance shall proceed through the grievance procedure. If the Union finds that the grievance has merit, the employee shall present the grievance in writing to his or her supervisor. The written grievance at this step and all steps hereafter shall contain the following information:

1. A statement of the grievance and the facts upon which it is based,
2. The alleged violation of the agreement,
3. The remedy or adjustment sought,
4. The signature of the aggrieved employee or the Union.

Unless the previous conditions are met, the grievance shall not be accepted. The employee's supervisor shall issue a written answer within ten (10) calendar days. The written response at this step, and all steps thereafter, shall contain:

1. An affirmation or denial of the facts upon which the grievance is based.
2. An analysis of the alleged violation of the agreement
3. The remedy or adjustment, if any, to be made.
4. The signature of the employee's supervisor or management representative.

STEP 2

If the grievance cannot be resolved at Step 1, it shall be referred in writing to the Fire Chief within (10) ten calendar days after the designated supervisor's answer in Step 1. The Fire Chief, or their representative, shall discuss the grievance within ten (10) calendar days with the Union representative at a time mutually agreeable to the parties. If the grievance is settled as a result of such a meeting, the settlement shall be reduced in writing and signed by the Fire Chief and Union. If no settlement is reached, the Fire Chief, or their representative, shall give the Department's written answer to the Union within ten (10) calendar days following the meeting.

STEP 3

If the grievance cannot be resolved at Step 2, it shall be referred in writing to the Fire Chief and the Port's Labor Relations representative within ten (10) calendar days after the Fire Chief's answer in Step 2. The Port's Labor Relations representative shall attempt to resolve it and provide a written response within ten (10) calendar days.

STEP 4: ARBITRATION

If the grievance has not been resolved at Step 3, the Union may refer the dispute to final and binding arbitration by notifying the Port in writing of its submission to arbitration within ten (10) calendar days after receipt of the Port's Labor Relations representative written response at Step 3. Within ten (10) calendar days from sending its notice, the Union shall file for arbitration with the Public Employment Relations Commission and select to receive a list of arbitrators or receive the assignment of an arbitrator. If the receipt of a list is selected, within ten (10) calendar days after receipt of the list, after flipping a coin to see which party goes first, the Union and the Port shall alternately strike the names on the list, and the remaining name shall be arbitrator. Alternatively, the parties may mutually agree upon an arbitrator instead of obtaining a list from PERC. The parties may mutually agree to submit the grievance to mediation prior to arbitration by filing a

joint request for mediation with the PERC.

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 submitted to them. The decision of the arbitrator shall be final and binding upon the aggrieved employee, Union and Port. The Port and the Union shall share equally the fees and expenses of the arbitrator.

Each party shall bear its own costs of presenting grievances and/or arbitrations under this agreement including attorney's fees.

ARTICLE 14 - POLICY AND PROCEDURES

The Union agrees that its members shall comply with all Fire Department Policies and Procedures including those relating to conduct and work performance. Prior to implementation of changes in Policies and Procedures the Port agrees to discuss the intended changes with the Labor-Management Committee.

ARTICLE 15 - HOURS OF WORK AND OVERTIME

Section 15.1 – Workweek

Except for those employees assigned to the forty (40) hour shifts, the regularly scheduled average hours of duty will not exceed two thousand four hundred twelve (2,412) hours per year based on a four (4) year average. For employees on twenty-four (24) hour duty shifts, the work cycle shall be sixteen (16) days, not to exceed one hundred twenty one (121) hours. Each Captains and Firefighters assigned to a twenty-four (24) hour duty shift will be required to work nine (9) Debit Days per calendar year. Battalion Chiefs assigned to a twenty-four (24) hour duty shift will be required to pay back two hundred sixteen hours (216) hours of debit time per calendar year pursuant to Policy No. 108. All suppression Debit hours will be tracked through Tele-Staff.

- a. No member shall work in excess of seventy-two (72) hours in any position without a minimum break of twelve (12) hours; except in unusual emergency situations and only with the approval of the Fire Chief or their designee.
- b. Changes in Debit Days shall be assigned by the Chief or their designee. All changes will consider minimizing the possibility of overtime.
- c. When Debit Day schedules must be changed to minimize overtime, the affected members shall attempt to reach an agreement on who will be reassigned. If a mutual agreement cannot be reached, Department seniority shall be used and the member with the least seniority shall be reassigned.
- d. Up to seventy-two (72) debit hours per year may be substituted for required training (including travel and training time) (e.g., Dallas Forth Worth, San Bernardino, Salt Lake

City, etc.) pursuant to FAA regulations at the discretion of the Fire Chief or designee. No more than three (3) separate training days shall be scheduled in exchange for seventy-two (72) debit hours unless agreed upon by the Labor Management Committee.

Section 15.2 – Change in Starting and Stopping Time

Shift change for twenty-four (24) hour employees shall be eight (08:00) a.m. Employees assigned to a forty (40) hour workweek may work a flextime schedule if approved by the Chief and in conformance with Port Policy.

- a. Alternate work schedules, including a 4/10 day shift, shall be established in Fire Department Policy.
- b. When emergency conditions exist, the Port may change starting and stopping times. The Port will notify the Union as soon as feasible under the circumstances.

Section 15.3 – Light Duty

When an employee is unable to perform their regular duties due to injury or illness, the employee shall be assigned temporarily to special duty for a maximum of six (6) months duration from the date of injury or illness. All light duty assignments may be extended beyond the six (6) month period on a case-by-case basis at the discretion of the Fire Chief.

It will be the mutual objective of the parties to return disabled LEOFF II employees to work as quickly as possible when return to work is clearly appropriate from a medical standpoint in compliance with State of Washington Disability and Retirement Statutes. Light duty assignments shall normally be made on a forty (40) hour Fire Department shift schedule. Light duty Fire Department assignment will be mandatory to all LEOFF II employees, duty and non-duty disabilities, who have medical approval from their health care providers to return to work on a light duty status utilizing the Port's Job Analysis Form FDJA-1-98. The employer shall provide the appropriate work within the Fire Department.

Section 15.4 – Day Shift Employees

Except as provided in Section 15.7 and under the conditions stated in Section 15.9, in the event a need for overtime occurs, the employee shall be paid at the overtime rate (1½) for work performed over and above a full-time regularly scheduled workweek, or on “an employee’s Saturday, or Sunday” or holiday. In no case shall overtime compensation be duplicated or pyramided.

Section 15.5 – 24-Hour Shift Employees

These employees shall be paid at the straight-time rate for work hours scheduled. Work assigned before or after a twenty-four (24) hour on-duty shift or on off-duty shifts shall be paid for at the overtime rate (1 ½) when they work in excess of the daily twenty-four (24) hour shift schedule or in excess of one hundred twenty one (121) hours during the sixteen (16) day work cycle. In no case shall overtime compensation be duplicated or pyramided.

Section 15.6 – Trading Days Off

When an employee wishes to trade work time with another employee, such trading of work time shall be subject to approval of the On Duty Battalion Chief. Reference: Policy #205, Appendix III. When one employee voluntarily trades shifts with another, the number of hours worked will be calculated as if the employee had worked their normal work schedule for that shift.

Section 15.7 – Overtime Compensation

All overtime compensation must be authorized by the Chief or their designee in advance. The pay of employees who arrive late will be reduced as appropriate. Voluntary early relief will be managed in accordance with applicable law.

Section 15.8 – Call Back

If an employee is called back to work outside of their normal schedule, such employee shall receive a minimum of four (4) hours compensation at the overtime rate. The number of hours the employee is called back to work shall be at the discretion of the Battalion Chief. The four (4) hour minimum does not apply to shift extension.

- a. For pre-scheduled call back assignments outside of the employee's regular work schedule, compensation will start when the employee begins work at the work site.
- b. For unscheduled call back assignments requiring immediate return to the work site, compensation will start at the time the employee is called back and will include time spent traveling to the work site. Management reserves the right to use its discretion in such unscheduled call back assignments and may give consideration to the amount of time an employee will require to report and the distance s/he will need to travel.

Section 15.9 – Calculations of Hourly Rates

When calculating the hourly base rate of pay which shall apply to said excess hours of work, the established monthly salary of Firefighters shall be multiplied by twelve (12) to obtain the annual salary which shall then be calculated in the following manner:

- a. 8-hour and 10-hour day shifts shall be divided by two thousand eighty (2,080) (40 hours/week x 52 weeks/year = 2,080 hours per year).
- b. 24-hour shifts shall be divided by two thousand four hundred twelve (2,412).

Section 15.10 – Special Assignments Schedules

An employee initiated request for a temporary change in work schedule will be given consideration for those members serving in special or extraordinary events, such as tunnel inspections, pit fire drills, and vehicle maintenance.

ARTICLE 16 - JURY DUTY/SUBPOENAED WITNESS

Section 16.1 – Compensation Conditions

When an employee is called for and serves as a subpoenaed witness on Port-related cases or on jury duty, that employee shall, during such service period, receive full regular compensation from the Port. Port compensation for service as a subpoenaed witness on Port-related cases only applies to absence from regularly scheduled work hours and does not apply to individual members bringing suit against the Port.

Section 16.2 – Limited Overtime Conditions

Employees serving as a subpoenaed witness of a Port-related case will be compensated at the overtime rate, for time worked outside of the normally scheduled work time. Employees serving on jury duty shall remain on regular pay for on-duty hours served. Overtime is not provided for off-duty jury participation.

Section 16.3 – Schedule Adjustment

In accordance with Section 12.5, Management may adjust an employee's schedule for jury duty or service as a subpoenaed witness on a Port-related case contingent on the employee's agreement.

ARTICLE 17 - SICK LEAVE AND DISABILITY

Section 17.1 – Use of Sick Leave

Use of Sick Leave is limited to authorized absence due to employee or immediate family member illness or injury. For the purposes of this Section, the definition of immediate family member shall conform to local, state, and federal law.

Departmental management may require a health care provider's statement to justify the use of sick leave and/or to determine that an employee's return from absence due to illness or injury is sanctioned by the attending health care provider, to the extent provided by law. Nothing herein shall undermine the right of the Port to require an employee to show valid and satisfactory proof of illness or injury anytime sick leave or disability leave is used. Misrepresentation of any material facts in connection with paid sick leave or disability leave by any employee will constitute grounds for disciplinary action up to and including discharge.

In any case where an employee is entitled to benefits under State Worker's Compensation Act as it now defined, providing payments to injured or disabled workers, the Port shall pay only the difference between the benefits received by such employees and their regular rate of compensation shall be limited to the period of time that such employee has accumulated sick leave and in compliance with applicable law. The Port may require the employee to furnish medical proof, or to submit to a medical examination by a Port appointed physician at the Port's expense to

determine whether a subsequent injury or illness is new and separate or an aggravation of a former injury or illness.

Section 17.2 – Sick Leave Coverage – Bargaining Unit Members

Sick leave accruals shall be based on a pro rata share of a full-time work schedule (compensated time) and shall be computed based on the following hours in a work shift;

- a. Members who work 24-hour schedules shall accrue 12 hours or one-half of a 24-hour shift per month of sick leave.
- b. Members who work 40-hour schedules shall accrue 10.2 hours per month of sick leave.
- c. These accruals shall commence from the date of employment. Sick leave accruals may be used following 30 days of continuous employment.
- d. Sick Leave for employees hired after January 1, 2005 may be accumulated up to 1,440 hours.

The Port will continue to 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 hour of accrued sick leave for each 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.

Section 17.3 – Retirement Sick Leave Roll Over

Employees who have completed five (5) years of continuous service with the Port of Seattle Fire Department, at time of separation, while in good standing, shall be eligible to roll over 50% of their unused sick leave hours accrued, at the employee's regular rate.

Sick leave roll over will be made upon employee's death, retirement, or voluntary separation while in good standing and will be processed with the employee's final paycheck.

In the event of death occurring in the line of duty, one hundred percent (100%) of such employees accrued sick leave will be paid to the member's beneficiary regardless of the member's years of service.

Upon execution of this agreement 50% of unused accrued sick leave hours shall be eligible to roll over at employees' regular rate according to the following three (3) options upon separation. The employee shall provide written notice to the employer of their option selection at least forty-five (45) days prior to separation.

1. Deferred Compensation Plan (on a pre-tax basis)
2. HRA/VEBA Account (on a pre-tax basis)

3. MERP Account (on a pre-tax basis)

If an employee fails to provide such a notice at least forty-five (45) days prior to separation, the employer will transfer all accrued leave, as designated above to option two (2), HRA/VEBA Account (on a pre-tax basis).

If the Employee selects to transfer to option one (1) Deferred Compensation Plan, but all or a portion of the transfer exceeds maximum allowable contribution, the employer will transfer that portion that exceeds the maximum Deferred Compensation Plan contribution to option two (2) HRA/VEBA Account, or option three (3) MERP Account, the employee shall provide notice to the employer at least forty-five (45) days prior to separation.

Section 17.4 – Disability, LEOFF, Plan II

Duty disability coverage and non-duty disability coverage shall be as follows:

- a. Duty disability coverage for LEOFF, Plan II, Employees shall be provided by the Port of Seattle at 100% coverage as provided by the State Industrial and Workers' Compensation Act and Appendix B, Duty Disability Supplement.
- b. Non-Duty disability for LEOFF, Plan II, Employees shall be provided by sick leave as stipulated in this Article and by insured disability benefits as may be agreed to between the Union and the Port. There shall be no duplication of coverage under sick leave and insured benefits.
- c. When combined with such other benefits, accrued sick leave may be applied up to but not to exceed the employees' regular pay rate.
- d. Any employee who is receiving both (1) insured non-duty disability benefits from the WSCFF/Standard disability program and (2) employer provided paid leave, shall be required to promptly remit payment of any WSCFF/Standard disability benefits to the employer to buy-back paid leave used while on such non-duty disability. Leave shall be bought back hour-for-hour, based on the respective employee's rate of pay. Employees will not be able to buy-back more leave than what was used while on such non-duty disability.

Section 17.5 – Extended Coverage, LEOFF, Plan II, (Duty Disability)

Employees who qualify for payments under RCW 51.32.090 due to temporary total or partial disability may be continued as an employee beyond the six (6) months from the date of injury or illness, subject to the following conditions:

- a. Such employee(s) will be required, at the request of the employer any time during the disability, to be available for periodic medical examinations by a physician selected by the Port; and,
- b. Such employee(s) will perform light duty tasks, subject to the approval of the employees physician who has determined light duty work appropriate utilizing the ports Job Analysis Forms FDJA-1-98 and FDJA-2-98; and,

- c. Such employee(s) within a reasonable period of time, has the potential of returning to their regular job based upon competent medical examinations provided in “a” above.

Section 17.6 – Extended Coverage, LEOFF, Plan II, (Non-Duty Disability)

Employees who are unable to perform their regular job(s) as a result of a non-occupational illness or injury may be continued as an employee beyond six (6) months from the date of injury or illness subject to the following conditions:

- a. Such employee(s) will be required, at the request of the employer any time during the disability, to be available for periodic medical examinations by a physician selected by the Port; and,
- b. Such employee(s) will perform light duty tasks, subject to the approval of the employees physician who has determined light duty work appropriate utilizing the ports Job Analysis Forms FDJA-1-98 and FDJA-2-98; and,
- c. Such employee(s) within a reasonable period of time, has the potential of returning to their regular job based upon competent medical examinations provided in “a” above.

Section 17.7 – Family Medical Leave Act (FMLA) and Family Care Act (FCA)

An employee will be permitted to use accrued time off when on leave as provided by the FMLA and FCA while adhering to the Port of Seattle Policy.

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 advance 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.

Section 17.8 – Shared Leave

On a voluntary basis and in accordance with procedures outlined in Port Policy/Procedure HR-5, Leaves, employees may donate accrued leave to benefit other employees who are suffering from an extraordinary or severe illness, injury, impairment, or physical or mental condition which has caused, or is likely to cause, the employee to take leave without pay or terminate his or her employment.

Any employee may donate any amount of vacation, sick leave, or pooled leave. In accordance with HR-5, Shared Leave will be paid at the recipient’s own rate of base pay. Donated leave shall be designated to a specific individual. Donations and requests for shared leave will be coordinated

in Human Resources.

Section 17.9 – Attendance Incentive

Any employee who has completed one year of continuous employment without any absence from work except as provided below will receive an attendance incentive of two hundred fifty dollars (\$250.00).

- a. For the purpose of this provision, any absence except the following will disqualify an employee from the attendance incentive, i.e., absences as a result of:
 - 1) Vacation (Article 19)
 - 2) Holidays (Article 20)
 - 3) Bereavement Leave (Article 21)
 - 4) Military Leave (Article 24)
 - 5) Jury Duty (Article 16)
 - 6) Subpoenaed Witness Service on a Port related case (Article 16)
 - 7) Time Off for Appointments (Article 22)
 - 8) FMLA Leave (Article 17)
 - 9) Effective January 1, 2018, the first .025 per hour worked of paid sick leave.
 - 10) Other leave as protected by law
- b. A qualifying year, for the purposes of the attendance incentive, will be accounted for on an individual basis. The year will be measured starting on the first of the calendar month following the date the last disqualifying employee absence occurs until the first of the calendar month one year later.
- c. The employee will be paid their incentive within a reasonable time following their qualifying year.
- d. The Fire Department logbook and payroll hours will be used to determine eligibility.

ARTICLE 18 – PAID PARENTAL LEAVE

The Port shall 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 advance notice of any change.

ARTICLE 19 - VACATION

Section 19.1 – Rates of Accrual

Vacation accruals shall be based on a pro-rata share of a full-time work schedule (compensated time) and shall be computed based on the following hours in a work shift – eight (8) hours for day

shift personnel and twelve (12) hours for twenty-four (24) hour shift personnel.

- a. Based on the first day of employment from the first full month to and including the thirty-sixth (36th) full month of continuous employment, employees shall accrue vacation as follows:

Day shift personnel = .0468 hours per straight-time hour paid
(.049 x 2,080 annual hours = 102 hours or 12.75 shifts)

24-Hour personnel = 10 hours per month
(10 x 12 months = 120 hours or 5 shifts)

- b. From the thirty-seventh (37th) full month to and including the one hundred thirty-second (132nd) full month of continuous employment, employees shall accrue vacation as follows:

Day shift personnel = .07 hours per straight-time hours paid
(.0736 x 2,080 annual hours = 153 hours or 19.125 shifts)

24-Hour personnel = 15 hours per month
(15 x 12 months = 180 hours or 7 ½ shifts)

- c. After the completion of eleven (11) years of continuous employment starting with the one hundred thirty-third (133rd) full month, employees shall accrue vacation as follows:

Day shift personnel = .0936 hours per straight-time hours paid
(.098 x 2,080 annual hours = 204 hours or 25.5 shifts)

24-Hour personnel = 20 hours per month
(20 hours x 12 months = 240 hours or 10 shifts)

- d. After the completion of fifteen (15) years of continuous employment starting with the one hundred eighty-first (181st) full month, employees shall accrue vacation as follows:

Day shift personnel = .1123 hours per straight-time hours paid
(.1178 x 2,080 annual hours = 245 hours or 30.625 shifts)

24-Hour personnel = 24 hours per month
(24 hours x 12 months = 288 hours or 12 shifts)

Section 19.2 – Limits on Accumulating Vacation Leave and Cash Out

Vacation leave accumulation for all employees covered under this Agreement shall be limited to a maximum accrual for five hundred seventy six (576) hours. Any vacation leave accruals exceeding this maximum accrual cap shall be forfeited and not subject to cash out and/or use. Employees shall be

responsible for monitoring and taking vacation leave in order to avoid any forfeiture of leave. Any unused vacation leave at or under the five hundred seventy six (576) hour accrual cap may be cashed out by the employee.

Effective one hundred eighty days(180) after the ratification of the agreement, employees may cash-out vacation time in accordance with the standards and procedures that are in effect as of September 1, 2017 for the cash out of paid time off (PTO) as applied to non-represented employees. The Union shall be notified in advance of changes to the limits and procedures affecting PTO cash out and provided the opportunity upon request to bargain pursuant to RCW 41.56

Management shall be responsible for encouraging and allowing proper scheduling for employees taking annual leave in order to avoid any forfeiture of vacation leave.

Section 19.3 – Scheduling of Vacation Leave

At any time after the successful completion of six-months continuous employment, employees 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 Fire Chief or designee as defined in the Fire Department Procedure Manual. Seniority rights shall apply in scheduling vacation.

Additionally, requests for approval of vacation schedules shall be made to the Fire Chief or their designee as stipulated in the Fire Department Procedure Manual. While vacation scheduling guidelines are established by the referenced procedure, the final approval discretion regarding specific vacation schedules rests with the Fire Chief or their designee. Payment for vacation leave may be made only to the extent of unused vacation accruals at the time of the leave.

Section 19.4 – Payment for Vacation Leave at Termination

Upon termination of employment, regular permanent employees shall receive pay in lieu of unused vacation based on the maximum accrual and other limitations stated in this Article.

ARTICLE 20 - HOLIDAYS

Section 20.1 – Designated Holidays and Eligibility

The following holidays shall be granted with pay limited to all DAY shift firefighters:

<u>Holiday</u>	<u>Normal Date of Observance</u>
New Year’s Day	January 1
Martin Luther King Jr. Day	Third Monday of January
Washington’s Birthday	Third Monday of February
Memorial Day	Last Monday in May
Juneteenth	June 19

Independence Day	July 4
Labor Day	First Monday of September
Thanksgiving Day	Fourth Thursday of November
Day after Thanksgiving	Fourth Friday of November
Christmas Day	December 25
Three (3) Floating Holidays	2 Port-designated 1 Employee-designated

Time off in lieu of holidays shall be scheduled at a time the employer finds most suitable after considering the wishes of the employee and the requirements of the Department.

Members assigned to day shift during the first quarter of the year and expected to be assigned for at least the duration of the year shall be eligible for all four floating holidays. Members assigned to day shift after the first half of the payroll year shall receive one employee designated floating holiday.

Members who are expected to be assigned away from day shift during the year shall be eligible for a proportionate number of floating holidays. It is not the intent of this language to work any Port employee on a Port designated holiday.

Section 20.2 – Overtime Application

In addition to eight (8) or ten (10) hours holiday pay, Day shift firefighters who work on the holiday will also receive time and one-half for hours worked.

Section 20.3 – Day of Observance

When a holiday falls on a Sunday, the following Monday will be observed. When a holiday falls on a Saturday, the preceding Friday will be observed.

Section 20.4 – Employee Designated Floating Holiday

At least 24 hours advance notice and the Fire Chief or their designee’s approval is required for the employee designated floating holiday. Eligibility for the employee designated floating holiday is not established until after the first six (6) months of employment. An employee shall receive no extra pay for not taking a holiday, unless directed by the Fire Chief to work on the day scheduled and no other day off can be scheduled before year-end. A terminated employee shall not receive pay for an employee designated floating holiday not taken prior to the last day worked. (Also see Section 20.1 for language on pro-rated eligibility.)

Section 20.5 –Day Shift Holidays

For employees who are working flexible or 4/10 schedules and a holiday occurs on the employee's normal day off, that normal day off will be treated as a weekend holiday and designated on either the first or last day of the said employee's work week depending on when the holiday occurs.

ARTICLE 21 - BEREAVEMENT/EMERGENCY LEAVE

Section 21.1 – Bereavement Leave

At the discretion of the Battalion Chief, from one (1) to five (5) days for day shift personnel, or from one (1) to three (3) shifts for 24-hour personnel per bereavement which shall not result in compensation for more than the number of hours in any normal workweek may be granted to 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. Individual circumstances such as the distance to the funeral and the extent of employee involvement with the arrangements for the deceased shall be considered in determining the number of days to be granted an employee. Bereavement leave must be taken within a period of time at the Fire Chief's discretion.

For the purposes of this Section, immediate family is defined as: the employee's spouse or domestic partner; the employee's (or employee's spouse or domestic partner's) parents, child, sibling, grandparent, grandchild; or a sibling's spouse or domestic partner, or as agreed to by the Fire Chief.

Section 21.2 – Emergency Leave

Emergency leave will be authorized in accordance with policy 205.

ARTICLE 22 - TIME OFF FOR APPOINTMENTS

After completing their probationary period, employees who are scheduled to work 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 Fire Chief or their designee may authorize time off for not more than twelve (12) hours each during a calendar year.

Employees who do not work a forty (40) hour schedule are expected to arrange personal appointments during their shift time off.

A member must work on a day shift assignment for a minimum of two months prior to applying for time off. Members being transferred to day shift with prior appointments shall be given reasonable consideration.

ARTICLE 23 - EDUCATIONAL REIMBURSEMENT

Section 23.1 – Required Job-Related Course Work Requested by Department Management

When directed by Departmental management, the cost of course work or training related specifically to improvement of job situation shall be paid for entirely by the Port.

Section 23.2 – Employee Initiated Requests for Job-Related Course Work

Upon completion of the probationary period, employees enrolled in training or course work specifically related to improvement of job situations within the Department will be eligible for reimbursement of tuition costs. Only the tuition costs for such instruction shall be reimbursed on the following basis:

- a. Approval prior to commencing course was obtained in writing from Departmental management.
- b. The course was completed with a grade “C” or better.
- c. The tuition bill is to be submitted to the Port to verify tuition costs as an attachment to the employee’s expense claim form
- d. The reimbursement rate, limited to tuition only, is 50% for employees with seniority status up to four (4) years of continuous employment and 75% after four (4) years of continuous employment.
- e. Employees requesting outside training, securing expenditure of Port funds may, at the discretion of the Fire Chief, be required to reimburse the Port should they fail to attend.
- f. Subject to the other applicable provisions of this section, Haz-Mat II training shall be reimbursed at 100%.

Additionally, bargaining unit members will be eligible to apply for College Degree Completion support under the terms of HR-12. The parties understand and agree that HR-12 is subject to revision by Port Human Resources & Development.

ARTICLE 24 - MILITARY LEAVE

Military leave shall be provided as stated in the Port of Seattle “Wage and Benefit Resolution - #2810” Section 5, in accordance with RCW 38.40.060.

ARTICLE 25 - INSURANCE

The following insurance is provided for LEOFF I and LEOFF II employees and for their dependents:

Section 25.1 – Medical

Northwest Fire Fighter Benefit Trust- Plan \$1500

Effective January 1, 2023, on the first of the month following the date of hire, all active full time, part time and other employees regularly scheduled to work twenty-one (21) or more hours per week will receive insurance coverage for themselves, their spouse/partner, and eligible dependents on the Northwest Fire Fighters Benefit Trust 1500 Health Plan. The employer will pay the full premium cost for employee coverage. The employee will be responsible for paying 10% of the premium for their spouse/partner and dependents.

Any increase in the annual medical premium rate for dependents exceeding 8% will be shared 50/50 by the employee with dependents and the Port for the term of the Agreement in addition to the premium paid by the employee. For example, if the Employee & Children total premium increases by more than 8%, the 90/10 premium share will apply to the dependent portion of the premium up to an 8% increase of that portion, and any dollar amount above that will be shared 50/50 for the term of the Agreement. For illustration:

	Year 1	Year 2
Employee Only Coverage	\$500	\$550
Employee + Spouse Coverage	\$750	\$825

In Year 2, the portion of the premium attributed to dependent coverage increases from \$250 (\$750-\$500) to \$275 (\$825-\$550). This is an increase of 10%. The dollar amount exceeding 8% is \$5.00, which will be paid 50/50 by the Port and the employee paying \$2.50 more each.

Employee costs shall be by payroll deduction. Changes made by the Northwest Fire Fighters Benefits Trusts to the rates or benefits provided under the 1500 Health Plan are not subject to negotiation during the term of the Collective Bargaining Agreement.

NWFFT Plan \$1500 VEBA

Effective January 1, 2023, each employee participating in the NWFFT Plan \$1500 will have a VEBA account established in their name. The VEBA will be accessible after separation in accordance with IRS rules. Survivorship rights will be in accordance with IRS rules and the VEBA plan. The Port will cover the administrative cost of the VEBA account and in addition contribute the following annual amounts to enrolled employees' VEBA.

Employee Only	\$2000
Employee with Dependents	\$4000

The Port will make an annual contribution to each participating employees' VEBA beginning in

2025 through the duration of the Agreement. The Port will endeavor to cut the check funding VEBA no later than the week of January 5, 2025, and follow a similar process in subsequent years.

Employees joining the Fire Department in 2023 or later will receive a prorated contribution with the first contribution becoming effective the same month the employee becomes eligible for health insurance. For example, an employee who becomes eligible for health insurance in July will receive six months of the annual VEBA contribution.

Annual VEBA contributions will be based on employee or dependent status of an employee enrolled in the \$1500 Plan at the time of the VEBA contribution. VEBA contributions will not adjust mid-year in the event of dependent status changes. If a VEBA contribution exceeds any applicable IRS limit or triggers the Affordable Care Act excise tax, the parties agree to reopen this agreement to bargain to avoid the tax.

If an employee separates service with the Port for any reason during the year, any VEBA amount paid for the month(s) in which the employee was not in paid status will be recovered from the employee's final paycheck(s). For example, if an employee separates service on June 30, six (6) months of VEBA payments will be recovered. If the employee separates on July 1, five (5) months of VEBA payments will be recovered.

The parties agree that six months prior to the expiration of this Agreement, the Port may reopen this Agreement to discuss the timing of the Port's funding of the VEBA.

Section 25.2 – Dental

On the first of the month following the date of hire, employees will receive insurance coverage for themselves, their spouse/partner, and eligible dependents on the Northwest FireFighters Benefit Trust under Dental Plan 7. The employee will be responsible for paying a portion of the premium for their spouse/partner and dependents as follows:

Employee Only	\$0 of total monthly premium
Employee & Dependents	6.0% of total monthly premium

Premium increases that exceed eight percent (8.0%) each year will be paid at fifty percent (50%) by the Port and fifty percent (50%) by the employee for the term of the agreement in addition to the premium paid by employees in the bargaining unit noted above.

Employee costs shall be by payroll deduction. Changes made by the Northwest Fire Fighters Dental Trust to the rates or benefits provided under the Northwest Fire Fighters Dental Trust Plans are not subject to negotiation during the term of the Collective Bargaining Agreement.

Section 25.3 – Life Insurance

Life insurance for employees, their spouse/partner, and eligible dependents will be provided on the Association of Washington Cities Plan C.

Section 25.4 – A.D. and D (Accidental Death and Dismemberment)

Association of Washington Cities – Plan C – (coverage included as a rider under the Life Insurance policy).

Section 25.5 – L.T.D. (Long Term Disability)

The Union will provide Long Term Disability (LTD) coverage for employees covered under this Agreement, through the WSCFF Disability Program (underwritten by Standard Insurance Company), via Port payroll deduction from each employee's second (2nd) monthly paycheck. Employees shall be responsible for paying one hundred percent (100%) of premiums for LTD coverage. The Union shall be responsible for any overages or shortages in premiums. The Union shall also be responsible for liaising with the broker(s) for employees' LTD coverage. The Port will remit LTD premiums to the Union in a similar manner as the Port remits employees' Union dues.

Section 25.6 – Alternate Insurance

- a. The Port agrees to discuss and consider in good faith any alternate insurance plans the Union may submit to the Port during the term of this agreement.
- b. The parties agree and understand the Port continues to maintain the unilateral right to select the carrier unless it is mutually agreed otherwise.
- c. It is intended that any insurance change will not increase the Port's cost in effect at the time of the good faith discussions contemplated above.

Section 25.7 – Port of Seattle Firefighter's Retirement Fund

The Port agrees to sponsor the Port of Seattle Firefighter's Retirement Fund, which will be directed by representatives of the Deferred Compensation Administrative Committee, and to contribute the following:

The above rate shall be one dollar and fifteen cents (\$1.15) per hour worked.

The Port shall contribute six and two tenths percent (6.2%) of the Taxable Wage Base on behalf of the members of the bargaining unit up to the annual maximum limits for Social Security to the Port of Seattle Firefighter's Retirement Fund, in lieu of Social Security. If the percentage contribution for Social Security changes during the term of this agreement, the Port's percentage contributions to the Fund would change accordingly.

Section 25.8 – Eye Care Coverage

Vision coverage shall be provided under the Northwest Fire Fighters Benefit Trust plan as provided in Section 25.1.

Section 25.9 – Washington State Council of Firefighters Medical Expense Reimbursement Plan (MERP)

The Port will make monthly salary reduction contributions on behalf of each employee to the WSCFF Employee Benefit Trust (MERP) at a contribution rate of one hundred dollars (\$ 100.00) per month to be deducted from each employee’s first monthly paycheck. The Port agrees to add a pre-tax employer contribution of one hundred dollars (\$ 100) per month for each full-time employee. Effective the first day of the first payroll period after the execution of this Agreement, both the employee and Port contributions will increase from one hundred dollars (\$100.00) each per month to one hundred and fifty dollars (\$150.00) each per month.

All of the Port’s contributions to the Trust are mandatory contributions to be used solely for the purpose of providing health benefits that qualify for exclusion under IRC Section 106 and shall not constitute wages or salary for the purpose of determining any other benefit, including retirement benefits, disability benefits, or life insurance covered amounts. Covered employees may not elect to receive any portion of the benefit under the MERP as additional salary or wages. In accordance with the private letter ruling 200846011 issued to the Trust, such amounts are excluded from gross income under IRS Code Section 106. The Union shall have the option to adjust the employee share of the contribution rate annually, and shall communicate any adjustment to the Port by December 1st for the following year.

All members of International Association of Firefighters, Local No. 1257 who have participated in the Washington State Council of Firefighters Medical Expense Reimbursement Plan for not less than one (1) month, prior to being promoted or reassigned to a position not represented by the Union, will continue to be participants in the MERP until they are no longer employed by the Port of Seattle. The Parties understand that extension of MERP participation to formerly-represented employees under this Section 25.9 shall not be construed to affect any other benefit described in the Agreement.

This Trust shall remain separate and apart from any Port retiree health insurance funding program, if applicable, unless changed by mutual agreement of the Parties to this collective bargaining agreement. This Section does not provide employees, retirees, or dependents with a vested right in Port-paid retiree health insurance. This language is meant to clarify the intent of the Parties from negotiations of this Section. The Parties agree that only eligible, active employees may contribute to the Trust, receive Port contributions, and only for the duration of this contract. This provision expressly incorporates by reference the most recent MERP and Trust Agreement, and such documents shall be administered and interpreted in a manner consistent with this paragraph.

ARTICLE 26 - UNIFORMS AND PROTECTIVE CLOTHING

Section 26.1 – Provision of Uniform and Protective Clothing

All uniforms as required by the Port of Seattle Fire Department Rules and Regulations, Policy and Procedures, and protective clothing and equipment as required by the Washington State Vertical Safety Standards for Firefighters and FAA regulations, and bed linen, shall be supplied, cleaned,

and maintained at no cost to the employee. Problems with uniforms will be referred to the uniform sub-committee.

Section 26.2 – Components Provided Upon Retirement

Upon retirement an employee will be provided components of their personal protective equipment, which will include their structural helmet, leather boots, badges, and structural gloves.

Effective upon ratification between the parties and execution, add Class A Uniform and Bunker Gear to this list. The bunker gear will be cleaned and decontaminated prior to being provided to the employee at retirement.

ARTICLE 27 - PHYSICAL FITNESS PROGRAM

All employees shall participate in the established, mutually agreed upon, mandatory Fire Department Physical Fitness Program . An employee may be excused at the discretion of the Battalion Chief. The Physical Fitness Program shall be designed to insure the employee’s physical fitness to perform their duties. Disciplinary action in connection with the Physical Fitness Program shall be taken only in the event employees fail to participate in the program as prescribed. The Port will provide the facilities and equipment necessary to maintain the program. The terms of the Program require the agreement of the Port and the Union. Issues concerning the terms of the Program may be referred to the Labor-Management Committee.

ARTICLE 28 – PHYSICAL CAPACITY EVALUATIONS REQUIREMENTS

A physical capacity evaluation (PCE) is defined in WAC 296-23-220 as “a performance-based evaluation that assesses worker’s physical functions and relates these to performance potential for work-related activity. Evaluations are conducted by a licensed physical or occupational therapist.” The Port may require a PCE in a return-to-work case if the treating doctor is reluctant to provide authorization for a full release after the job analysis has been reviewed. The Port’s Workers Compensation Program will be responsible for scheduling of all PCEs. The Fire Department will be responsible for all costs related to the PCE.

ARTICLE 29 - SAVINGS CLAUSE

In the event of invalidation of any part or provision of this agreement under this article, the parties shall negotiate in good faith to modify the part of provision to the degree possible to comply with law.

ARTICLE 30 - DEFERRED COMPENSATION

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 13) or to any other provisions of this Labor Agreement or to negotiation by the Union.

ARTICLE 31 - CHANGES IN WORKING CONDITIONS

The Port assures the Union that its intention in executing this Agreement is not to make significant changes in existing working conditions granted to employees because such conditions are not specifically identified in this agreement. Any such changes shall be made within the provisions of applicable state law.

ARTICLE 32 - SCOPE OF AGREEMENT

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. The parties acknowledge that each has had the unlimited right within the law and the 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 and opportunity are set forth in this Agreement. All memoranda and letters of agreement/understanding that have not been incorporated into this Agreement are null and void. Therefore, for the duration of this Agreement, the Port and the Union each agrees to waive the right to oblige the other to bargain with respect to any subject or matter not specifically referred to or covered in this Agreement.

ARTICLE 33 - STRIKES AND LOCKOUTS

In recognition of the Port's status as a municipal corporation, no employee shall strike or refuse to perform their assigned duties to the best of their ability. The Union shall not cause or condone any strike, picketing, work stoppage, slowdowns, or other interference in any way with normal Port operations. Willful violation of this article by any employee shall result in immediate dismissal.

ARTICLE 34 - EMT AND DRIVERS

Section 34.1 – EMT/Aid Car

Effective 1980 with Recruit Class 80-3, all employees hired shall maintain EMT (Emergency Medical Technician) status as a job condition with the exception of Battalion Chief, and Firefighter/Mechanic. The following provisions and exceptions shall apply:

- a. The Port agrees to pay all costs for initial EMT certification and recertification. If the employee fails the second recertification class, all additional costs shall be borne by the employee.
- b. The employer shall provide to the employee continuing on-going education, scheduling of classes, and the current status of the expiration date of their EMT status.
- c. Failure to maintain a valid EMT certificate shall result in a two-step reduction in pay until such time as the employee re-establishes certification. Failure to recertify after taking the basic EMT course will be cause for termination.
- d. Employees in the bargaining unit who have completed their thirtieth (30th) year of service prior to January 1, 2018, may “opt-out” of the EMT Aid Car rotation, but must maintain their EMT certification and has had at least one rotation on the Engine during the last calendar year. All employees who have completed their thirtieth (30th) year of service after January 1, 2018, shall participate in the EMT Aid Car rotation and must maintain their EMT certification. Rotation is defined as an average, continuous month-long assignment to the Engine either as driver, nozzle, or hydrant position on the employee’s home shift.

Section 34.2 – Driver/Engineer Assignment

Assignments will be made by seniority, provided the Firefighter has met and maintains the established drivers’ certification criteria. Each Battalion Chief will establish and utilize a list of certified drivers by seniority for their shift. When working a shift other than their regular home shift, a certified driver may not be assigned as a driver unless there are no other certified drivers on duty.

ARTICLE 35 – JOINT APPRENTICESHIP TRAINING COMMITTEE PROGRAM

The parties agree to participate in the Washington State Joint Apprenticeship Training Committee (JATC) program. The committee shall be equally divided between Management and the Union and consist of a maximum of nine (9) members, including a secretary and two alternates. Members of the committee shall elect a chairperson responsible to administer the committee process. Elections to the committee chair position shall be held every two years.

- a. Completion of the JATC program shall be a work performance requirement, not to exceed three (3) years. The three year program is divided into three steps consisting of Firefighter E to C for step-1, Firefighter C to B for step-2, and Firefighter B to A for step-3.
- b. Completion of the first year or step-1 of the JATC program shall be a performance requirement for *Probationary Firefighters*. Probation shall be extended for special circumstances that cause delays in completion of step-1, including but not limited to

- time off for injury/illness, time to complete EMT certification, time for military leave, and reasons mutually agreed upon by the Union and Employer.
- c. Completion of the JATC program shall be a work performance requirement, not to exceed three (3) years. Extension of the program for special circumstances beyond three years shall be mutually agreed upon by the Union and Employer. Time for completion of the program shall be extended for special circumstances causing delays in completion of steps 2 and 3, including but not limited to time off for injury/illness, time for military leave, and reasons mutually agreed upon by the Union and Employer.
 - d. Firefighter non-compliance with the terms and conditions of the JATC Agreement shall be grounds for removal of the firefighter from the JATC Apprenticeship program and disciplinary action up to and including dismissal from employment. Either or both of these proceedings shall be initiated by the Committee.
 - e. It shall be the policy of the Employer to provide or make available supplemental instruction, as required by the Apprenticeship Agreement, to apprentice Firefighters on-duty when possible. If the Employer is unable to provide the apprentice with supplemental instruction on-duty, the apprentice shall seek out collegiate courses via internet (on-line) or via thumb-drive technology. In the event that these options are unavailable, the Employer agrees to provide relief from duty to attend such supplemental instruction
 - f. There shall be overtime compensation for off-duty attendance to obtain required supplemental instruction (RSI) approved by the Employer. There shall be no overtime compensation for supplemental instruction via internet (on-line) or via thumb-drive technology.
 - g. The Employer will furnish transportation to attend supplemental instruction when available, or provide mileage allowance as outlined in Port policy.
 - h. The Port of Seattle's Joint Apprenticeship Committee will determine after the first cycle of involvement whether to continue a JATC program or to mutually agree to discontinue support of a JATC Program. This allows for evaluation and determination if this program is sustainable and worthy of continued support by the Port of Seattle Fire Department.

ARTICLE 36 - DURATION OF AGREEMENT AND EFFECTIVE DATE

All conditions of this Agreement shall be effective on the date the Agreement is signed or as otherwise stipulated in the terms of this Agreement. All provisions of this Agreement shall extend from effective date to **December 31, 2027**. Negotiations may be opened by either party giving notice in writing not later than sixty (60) days prior to the expiration date. The new agreement shall be effective on the first day of January of each year unless mutually agreed to the contrary.

SIGNED THIS _____ DAY OF _____, 20__.

**Stephen P. Metruck Executive Director
Port of Seattle**

**Joseph Pierotti, President
International Association of Firefighters, Local 1257**

**Randy Krause, Fire Chief
Port of Seattle**

APPENDIX A

PAY RATES

1. WAGES

A. (1) Base Rates January 1, 2025

Effective January 1, 2025, monthly wage rates shall be as follows, reflecting an increase to the base hourly wage rate of Firefighter “A” of 4.5%:

	Base Rate	5.96% Holiday (Suppression)	9% Work Schedule (Day Shift Two Years)	15% Work Schedule (Day Shift Four Years)
Battalion Chief (Suppression)	\$ 15,437.00	\$ 16,357.00	N/A	N/A
BC (Day Shift) (Logistics, Fire Prev. & Training)	\$15,437.00	N/A	\$16,827.00	\$17,753.00
Captain (Day Shift)	\$ 13,248 .00	N/A	\$ 14,440 .00	\$ 15,235 .00
Captain (Suppression)	\$ 13,248 .00	\$ 14,037.00	N/A	N/A
Firefighter Mech. (Day)	\$ 13,686.00	N/A	\$ 14,917.00	N/A
Firefighter “A”	\$ 10,948.00	\$ 11,601.00	\$ 11,934 .00	\$ 12,591 .00
Firefighter “B”	\$ 9,854 .00	\$ 10,441 .00	N/A	N/A
Firefighter “C”	\$ 8,978 .00	\$ 9,513 .00	N/A	N/A
Firefighter “D”	\$ 8,321 .00	\$8,817 .00	N/A	N/A
Firefighter “E”	\$7,801 .00	N/A	N/A	N/A

B. General Wage Increases

Effective January 1, 2025, the base hourly wage rate of Firefighter “A” will be increased by 4.5%.

Effective January 1, 2026, the base hourly wage rate of Firefighter “A” will be increased by an amount equal to one hundred percent (100%) of the Seattle/Tacoma/Bellevue CPI-U (All Urban Consumers), August 2024 to August 2025 plus 2%, In no event will the increase be less than 2% or more than 4%.

Effective January 1, 2027, the base hourly wage rate of Firefighter “A” will be increased by an amount equal to one hundred percent (100%) of the Seattle/Tacoma/Bellevue CPI-U (All Urban Consumers), August 2025 to August 2026 plus 2%, In no event will the increase be less than 2% or more than 4%.

C. Base Wage Rate Adjustments

Effective 1/1/2025, Battalion Chief Base Rate: Shall be 141% of Firefighter “A” base rate.

Effective 1/1/2027, Battalion Chief Base Rate shall increase to 142% of Firefighter “A” base rate.

Firefighter/Mechanic Base Rate: Shall be 125% of Firefighter “A” base rate.

Effective 1/1/2025, Captain Base Rate: Shall be 121% of Firefighter “A” base rate.

Effective 1/1/2027, Captain Base Rate shall be 122% of Firefighter “A” base rate.

Firefighter “B” Base Rate: Shall be 90.83% of Firefighter “A” base rate.

For Firefighters hired on or after July 3, 2014:

Firefighter “B” Base Rate: Shall be 90% of Firefighter “A” base rate.

Firefighter “C” Base Rate: Shall be 83.82% of Firefighter “A” base rate.

For Firefighters hired on or after July 3, 2014:

Firefighter “C” Base Rate: Shall be 82% of Firefighter “A” base rate.

Firefighter “D” Base Rate: Shall be 78.73% of Firefighter “A” base rate.

For Firefighters hired on or after July 3, 2014:

Firefighter “D” Base Rate: Shall be 76% of Firefighter “A” base rate.

Firefighter “E” Base Rate: Shall be 74.65% of Firefighter “A” base rate.

For firefighters hired on or after July 3, 2014:

Firefighter “E” Base Rate: Shall be 71.25% of Firefighter “A” base rate.

Increase from E to D: Firefighters shall be granted a one-step salary increase from E to D, after satisfactorily completing the approved Port Recruit training program (approximately 12 weeks). Satisfactory work performance shall be documented in a performance review prior to such increase.

Increase from D to C: Firefighters performing satisfactorily shall receive a promotional increase one year from date of hire from D to C, on a single-step salary schedule as shown in “Wages”. Satisfactory performance shall be documented in a performance review and satisfactory completion of testing based on adopted performance standards is required. Employees shall be considered on probationary status from date of hire until the one-year promotion to C firefighter.

Increases from C to B to A: Firefighters performing satisfactorily shall receive promotional increases after each twelve (12) months from C to B to A, on a single-step salary schedule as shown in “Wages.” Satisfactory performance shall be documented in a performance review prior to each such increase. Satisfactory completion of adopted training performance standards and the recommendation of their supervisor is required for all employees.

Lateral firefighters will be hired into the Firefighter “C” classification at 82% of Firefighter “A” base rate. The lateral firefighter will be eligible to progress to the “Firefighter B” and “Firefighter A” Classification in accordance with the preceding paragraph.

2. COMPARABLES

The Port and the Union agree to use the following comparables: the cities of Seattle, Tacoma, Renton, Bellevue, Puget Sound Regional Fire Authority, and Kirkland, and Valley Regional Fire Authority.

3. LONGEVITY

After five (5) years active employment have been completed since date of hire, employees covered under this agreement shall receive a rate of pay equal to the current rate in effect for that position plus a longevity adjustment equivalent to the following:

- 5 – 9 years 2% of Firefighter “A” base rate
- 10 – 14 years 4% of Firefighter “A” base rate
- 15 – 19 years 6% of Firefighter “A” base rate
- 20 – 24 years 8% of Firefighter “A” base rate
- 25 – 29 years 10% of Firefighter “A” base rate
- 30 plus years 12% of Firefighter “A” base rate

The addition of the longevity adjustment to a classification base rate creates a specific employee’s

rate. This employee's rate is used when computing the holiday or day shift differentials or the EMT, De-Fib, Haz-Mat, or Education premiums.

4. DIFFERENTIALS

- a. Holiday Differential for 24-Hour Shift Employees: An employee assigned to a 24-hour shift schedule shall receive a differential of 5.96% of said employee's rate during such assignment. This 5.96% differential is in lieu of days off for holidays.
- b. Work Schedule Differential for Employees Regularly Assigned to a Day Shift Schedule: An employee regularly assigned to a day shift schedule shall receive a differential of 9% of said employee's rate.
- c. Work Schedule Differential for Rotational Day Shift Employees:
 - 1) The first two-year term: 9% of said employee's rate.
 - 2) The second consecutive two-year term: 15% of said employee's rate
 - 3) Members can request a four-year assignment on initial transfer at 15% of said employee's rate.
 - 4) Those who are presently serving with at least two years in the position can be eligible for 15% for the next two-year assignment.
 - 5) With the exception of 4 above, the incumbent can reapply for the position and will be given consideration over other candidates. If no other employees apply for the position, the current member may stay for another term if they choose and management approves, at the 15% rate.
- d. Eligibility for Day Shift Differential: The day shift differential will not apply, and the employee will receive their regular hourly rate and accruals for hours worked in the following situations:
 - 1) Newly hired Firefighters in training.
 - 2) Employees assigned to day shift for light duty or accommodation.
 - 3) Employees who voluntarily agree to adjusted schedules related to training opportunities or jury duty in accordance with Article 12.5.
- e. Premium for "Emergency Medical Technician" (EMT) / D-FIB Assignment:
 - 1) A qualified Firefighter assigned to Emergency Medical Technician duty for one (1) hour or more shall receive a premium equivalent to 7% of said employee's rate for each hour worked on such assignment.
 - 2) A qualified Captain assigned to the Emergency Medical Technician duty for one (1) hour or more shall receive a premium equivalent to 2.5% of said employee's rate for each hour worked on such assignment. No more than twelve (12) Captains (three (3) per shift) maximum per month.
- f. Premium for "Hazardous Materials" (Haz-Mat) Assignment: Effective January 1, 1990, a qualified Firefighter assigned to the Hazardous Materials Team shall receive a premium equivalent to 2% of said employee's rate during such assignment. No more than 34 Suppression Firefighters shall be assigned to the Haz-Mat team at one time. An employee who is absent from work for three or more consecutive shifts as a result of a disability or leave without pay shall not continue to receive the Haz-Mat premium. In the event of such absence, a qualified employee working as a replacement shall receive the Haz-Mat premium. The Haz-

Mat premium shall be provided to the qualified working replacement starting at the beginning of the fourth shift of such absence. Captains may receive pay for both Haz-Mat and Tech/Rope Rescue. Captains and Dayshift Firefighters are eligible to maintain their certification and be compensated without impacting the total number. Rotating back to shift will not affect the total number of 34 noted in this section above.

- g. Medicare Exemption Premium: Effective March 2, 1997, the Port will pay an amount equal to 1.45% of the employees' Taxable Wage Base to employees hired prior to April 1, 1986. This payment represents the money formerly paid by the Port for the employees Medicare contribution. This contribution is no longer necessary as a result of the Union's referendum on February 26, 1997, removing its members from Social Security and Medicare coverage. Such payment will be considered supplemental, and will not be considered part of the employees' base wage.

Resulting from the Firefighters' February 26, 1997 referendum electing to discontinue participation in Social Security, the parties agree that refunded portions of the Port's past contributions, on behalf of each employee to Social Security and Medicare, will be disbursed to each employee. Employees hired on or after April 1, 1986 shall be subject to Medicare coverage.

- h. Premium for Driver/Engineer Assignment:
A qualified firefighter assigned to a driver/engineer position for one (1) hour or more shall receive a premium equivalent to four percent (4%) of said employee's rate for each hour worked on such assignment. The total number of driver/engineer positions on each shift will be allocated on the basis of the operational needs of the Fire Department as determined by the Fire Chief.

- i. Technical/Rope Rescue: Firefighters assigned to Technical/Rope rescue will receive a premium pay of +2%. Sixteen (16) Suppression Firefighters shall be eligible for this premium divided equally amongst the suppression shifts (4 per shift). Captains and Firefighters must complete Technical/Rope rescue certification compliant with current NFPA's. Firefighters must choose either Haz-Mat or Tech/Rope Rescue pay, but not both. Captains may receive pay for both Haz-Mat and Tech/Rope Rescue. Captains and Dayshift Firefighters are eligible to maintain their certification and be compensated without impacting the total number. Rotating back to shift will not affect the total number of 16 noted in this section above.

- j. Out of Classification Pay:

1. Captain: When an employee who is classified as a Firefighter is temporarily detailed to perform all duties of a Captain for one (1) hour or more, such employee shall be paid the base rate, and any premiums, if applicable, of the Captain classification for the hours worked at the hourly rate.
2. Battalion Chief: When an employee who is classified as a Captain is temporarily detailed to perform all duties of a Battalion Chief for one (1) hour or more, such employee shall be paid the base rate, and any premiums, if applicable, of the Battalion Chief classification for the hours worked at the hourly rate.

- k. Bi-Weekly Pay: Effective January 1, 2005, employees shall be paid on a biweekly basis.
- l. Education Premium: Employees who have earned a degree from an accredited college primarily through classroom-based study will receive a differential as set forth below. Eligible employees will be paid one premium reflecting the highest degree earned. Premium pay for degrees earned via remote or online degree programs is subject to the approval of the Fire Chief.
 - 1) Associates Degree – 2%
 - 2) Fire Service Associates Degree – 3%
 - 3) Bachelor of Arts or Science Degree – 4%
 - 4) Masters Degree – 6%
- m. Mandatory Direct Deposit: As a condition of continued employment, all employees are required to participate in the Port’s direct deposit program for payroll purposes.
- n. Self-Contained Breathing Apparatus:
A two percent (2.0%) premium incentive pay will be provided to one Self-Contained Breathing Apparatus (SCBA) Technician based on the Firefighter “A” base rate.

The Firefighter assigned will be required to obtain certification as a breathing apparatus technician.

The certification requirements as provided in WAC 296-842-17015 will be as follows:

The technician must obtain and maintain SCBA certification, as mandated by WAC/OSHA and provided by the appropriate SCBA manufacturer. Technicians must be willing and able to become certified in any SCBA equipment at the level and manufacturer as specified by the POSFD. Technicians must also re-certify in accordance with WAC/OSHA and the manufacturer in order to maintain the certification.

**APPENDIX B
DRUG TESTING**

SUBSTANCE TESTS

PREAMBLE

While abuse of alcohol and drugs among our members is the exception rather than the rule, the Local 1257 Firefighters Negotiating Committee shares the concern expressed by many over the growth of substance abuse in American society.

The drug testing procedure agreed to by the labor/management, incorporates state-of-the-art employee protection 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, employee shall mean entry-level probationary employee.

- 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 any entry-level probationary employee may be tested for drugs, the Port must meet the following prerequisites:
 1. Entry-level probationary employees in the bargaining unit must be clearly informed of what drugs or substances are prohibited by the Port.
 2. The Port must 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.
- c. The Department shall also have the discretion in order for an entry-level probationary uniformed 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 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 on a GC/MX 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 tests performed on entry-level probationary members of the Department:
 1. It is recognized that the Employer has the right to request the laboratory personnel administering a urine test to take such test to take such steps as checking the color and temperature of the urine sample 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 determine 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 initial 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 reasonable access at a reasonable cost, such test shall be used in place of the GC/MS test if required 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 and millimeters. All positive test results must be reviewed by the certifying scientists or laboratory director and certified as accurate.

- e. Procedures to be used when samples are given: The following procedures shall be used whenever an employee is required 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 samples 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 appropriately 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 the 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 employer'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 scientists 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 in a 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 separated, 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 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 sample shall be documented to establish procedural integrity and a chain of evidence. AL sample 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.
- 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 discipline procedures are invoked as specified in Section (E) (7).
 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.
 3. Disciplinary measures including discharge shall not be subject to the grievance procedure during the first twelve (12) months of employment.
- 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.
- h. Union hold harmless

The Union and the Port acknowledge that this drug-testing program is solely initiated at the behest of the Port. The Port shall be solely liable for any legal obligations and costs arising out of the provisions and/or applications of this collective bargaining agreement relating to drug testing.

The Union shall be held harmless for the violation of any worker rights arising from the drug-testing procedures.

APPENDIX C

SUBSTANCE ABUSE REHABILITATION

If an employee comes forward requesting rehabilitation treatment for substance abuse, the employee will be referred to rehabilitation services. If the employee is caught in a prohibited activity without coming forward, s/he is subject to termination.

Return to work following treatment will be contingent on agreement to a Contract for Continued Employment drafted by the Port and agreed to by the Union.

Nothing in this Appendix limits the Port's right to take disciplinary action for just cause.

APPENDIX D

FIRST AID FACILITY

If it is the intention of the Port of Seattle to do a feasibility study on providing a “First Aid Facility” in the Airport’s Main Terminal to serve the traveling public, then Local 1257 would like to participate in that process.

Local 1257 should have the right to participate in any and all studies in providing first aid to the public, as we are the first line providers of emergency medical care on the Airport’s facilities. This shall be done to not only protect the Port of Seattle Fire Department and this Local, but to protect the greater interest of the Port.



**COMMISSION
AGENDA MEMORANDUM**

Item No. 8e

ACTION ITEM

Date of Meeting August 12, 2025

DATE: August 5, 2025

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 Traffic Support Specialists

Total Port Cost Increase for the Duration of the Agreement: \$342,885

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 Traffic Support Specialists at the Police Department covering the period from January 1, 2025, through December 31, 2026.

EXECUTIVE SUMMARY

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

There are currently twelve (12) Traffic Support Specialists, out of sixteen budgeted FTE positions, employed at the Port of Seattle who are assigned to the Port of Seattle Police Department. The Traffic Support Specialists are responsible for monitoring traffic on the airport drives at Sea-Tac.

The agreement is for two years covering the period from January 1, 2025, through December 31, 2026. The estimated total cumulative cost for wages and benefit increases is \$342,885. The estimated cumulative cost per year of the contract is: year one (2025) \$143,552 and year two (2026) \$199,333.

The cost is based upon a nine and sixteenth percent (9.6%) wage increase in year one of the agreement effective January 1, 2025, and a four percent (4.0%) wage increase in year two effective January 1, 2026.

Meeting Date: August 12, 2025

The cost also consists of a three and eight tenths percent (3.8%) increase in health insurance in year one of the agreement and an estimated five percent (5.0%) increase in health insurance in year two of the agreement.

Other additions to the agreement consist of the addition of the inclusion of aunts and uncles and in loco parentis under the definition of immediate family for bereavement leave; employees will be able to trade days off; for all cash out and lump sum payments pension and benefits contributions shall be addressed in accordance with law; the Port’s contribution toward the Teamsters Pacific Coast Benefit Trust Supplemental pension plan increased from \$1.23/hour compensated to \$1.35/hour compensated; for employees in the bargaining group serving in the military, the Port will comply with the Uniform Services Employment and Reemployment ACT (USERRA); the Port payroll calendar will be used as an indicator of when an employee become eligible for health insurance; employee medical premium share has increased from fifty dollars (\$50) per month to sixty dollars (\$60) per month effective the second year of the agreement, on October 1, 2026;

Other additions to the contract include the addition of a longevity provision consisting of three percent (3.0%) for those employees in the bargaining unit who have been employed for ten (10) years or more; and the inclusion of a reopener on Multilingual incentive pay.

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 January 1, 2025, through December 31, 2026.

Meeting Date: August 12, 2025

FINANCIAL IMPLICATIONS

Wages

Classification	Current Rate - A Five Step Annual Salary Progression	Effective 1/1/25 Base Hourly Rate (9.6%)	Effective 1/1/26 Base Hourly Rate (4.0%)
Traffic Support Specialists	\$26.64	\$29.20	\$30.37
	\$27.71	\$30.37	\$31.58
	\$28.81	\$31.58	\$32.84
	\$29.97	\$32.85	\$34.16
	\$31.16	\$34.15	\$35.52

Employees in the bargaining unit were provided with a nine and sixteenths (9.6%) increase in wages effective January 1, 2025, in the first year of the agreement. Employees were also provided with a four percent (4.0%) increase effective the second year of the agreement, January 1, 2026.

Members of the bargaining group employed as Traffic Support Specialists for ten or more years will receive a three percent (3.0%) longevity increase to their base.

Health and Welfare

Members of the bargaining group are currently enrolled Teamsters Medical Plan B. Employees are currently paying fifty (\$50) dollars per month for premium share. Effective October 1, 2026, this premium share amount will increase by ten dollars (\$10) for a total of sixty dollars (\$60) per month.

Pension

Members of the bargaining group are covered under the Washington State Public Employment Retirement System. Members of the bargaining group are also enrolled in the Teamsters Pacific Coast Benefit Trust Supplemental pension plan where the Port’s contribution will increase from one-dollar twenty-three cents (\$1.23) per hour compensated to one-dollar thirty-five cents (\$1.35) per hour compensated effective upon ratification of the agreement.

Meeting Date: August 12, 2025

Other Changes/Additions include:

- The addition of aunt, uncle and in loco parentis under the definition of immediate family for Bereavement Leave
- The ability to trade days off
- For holidays, the day after Thanksgiving changed to Native American Heritage Day.
- The inclusion of the Uniform Services Employment and Reemployment Act (USERRA) for bargaining unit members serving in the military.
- Reopener - Multilingual incentive pay

Cost Impact \$	Year 1	Year 2
Pay	\$ 105,523	\$ 158,507
Benefits	\$ 38,029	\$ 40,826
Total New Money	\$ 143,552	\$ 199,333
Total Cumulative Cost	\$ 143,552	\$ 342,885

The estimated total cumulative cost to the Port of Seattle for the duration of the contract is \$342,885.

ATTACHMENTS TO THIS REQUEST

1. Collective Bargaining Agreement

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

None

PORT OF SEATTLE AND LOCAL 117 CONTRACT SETTLEMENT
TRAFFIC SUPPORT SPECIALISTS

July 16, 2025

A G R E E M E N T

By and Between

TEAMSTERS LOCAL UNION NO. 117
Affiliated With The
International Brotherhood of Teamsters

REPRESENTING TRAFFIC SUPPORT SPECIALISTS



And

PORT OF SEATTLE
Term of Agreement
January 1, 2025 - December 31, 2026

TABLE OF CONTENTS

<u>ARTICLE</u>	<u>PAGE</u>	<u>ARTICLE NO.</u>
Purpose of Agreement-----	1 -----	1
Union Recognition -----	1 -----	2
Union Membership-----	1 -----	3
Payroll Deductions-----	2 -----	4
Union Representative Access -----	2 -----	5
Bulletin Board -----	3 -----	6
Equal Employment Opportunity -----	3 -----	7
Management Rights-----	3 -----	8
Seniority -----	4 -----	9
Jury Duty/Court Appearances -----	6 -----	10
Bereavement Leave-----	6 -----	11
Hours of Work and Overtime-----	7 -----	12
Paid Time Off (PTO) -----	8 -----	13
Holidays -----	10 -----	14
Uniforms and Equipment-----	11 -----	15
Requested Benefits-----	11 -----	16
Leave Without Pay-----	13 -----	17
Sick Leave -----	14 -----	18
Teamsters Health and Welfare Programs -----	16 -----	19
Pension -----	17 -----	20
Performance of Duty, Strikes, and Lockouts-----	17 -----	21
Savings Clause -----	17 -----	22
Entire Agreement -----	17 -----	23
Grievance Procedure -----	18 -----	24
Labor Management Communication Committee -----	20 -----	25
Personnel File – Public Records Request -----	20 -----	26
Appendices and Memoranda of Agreement -----	20 -----	27
Term of Agreement-----	20 -----	28
Appendix A -----	22	
Appendix B -----	25	
Appendix C -----	30	
MOA re Code of Conduct-----	31	

ARTICLE 1 – PURPOSE OF AGREEMENT

This mutual Collective Bargaining Agreement (hereinafter referred to as the Agreement) has been entered into by Teamsters Local Union No. 117, affiliated with the International Brotherhood of Teamsters (hereinafter referred to as the “Union”), and the Port of Seattle (hereinafter referred to as the “Port”), which may hereinafter be referred to as the 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 full-time and regular part-time non-supervisory Traffic Support Specialists employed by the Port of Seattle, excluding 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 Indemnification and Hold Harmless. The Union agrees to indemnify and hold harmless the Port for any action(s) taken by the Port 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 – PAYROLL DEDUCTIONS

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) 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 Union shall 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 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 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").

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 Department, 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. Employees may be terminated during their probationary period without just cause without recourse to the grievance procedure.

An employee who accepts another position within the Port of Seattle that is outside the Traffic Support Specialists bargaining unit may choose to return to the Traffic Support Specialists bargaining unit if the employee fails to successfully pass the probationary period for the new position. Such return will be conditioned upon a vacant Traffic Support Specialist position available at the time of the employee's request and upon Management's approval. After receiving notice that the employee has not successfully passed probation, within five (5) business days the employee must notify the Police Chief's Office of their intent to return to the employee's prior position in the unit. If approved by the Police Chief or designee to return, such employee will have their seniority in that classification restored to the same level accrued prior to leaving the bargaining unit. If there is no vacant position in the Traffic Support Specialists bargaining unit available at the time that the employee expresses an interest to return to the bargaining unit within the time period noted above, the employee will be placed on layoff status in accordance with Section 9.02 upon Management's approval. An employee who is terminated for misconduct is not eligible to return to the Traffic Support 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 consideration when making job assignments. However, based on skills and qualifications of the employee, management may require particular employees in specific job assignments.

9.05 Shift/work week 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 Eligible employees who serve on jury duty shall receive their full, regular Port compensation.

10.02 Hours of Work. For the period of jury duty service, the Traffic Support Specialist shall be assigned to a Monday through Friday workweek on day shift schedule. The Traffic Support Specialist that is released from jury service on any day shall immediately call-in to work and report for duty if required. Upon final release from jury duty, the Traffic Support Specialist will return to their regular schedule in such a way as to permit an uninterrupted continuation of compensation, and the maximum amount of work availability for the Port; provided, that no Traffic Support Specialist regularly scheduled to work night shift shall be required to work on the night shift immediately following the conclusion of jury duty.

10.03 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.

10.04 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, uncles and a person assigned as an in loco parentis. 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 Work. The normally scheduled workweek for employees shall be forty (40) hours per week as generated by the five/eight (5/8) and four/ten (4/10) work schedule.

12.03 Work Schedule. The normal work schedule shall be as follows:

- (a) Forty (40) hours per week consisting of four (4) consecutive days of ten (10) consecutive hours with three (3) consecutive days off or five (5) consecutive days of eight (8) consecutive hours with two (2) consecutive days off. Both schedules with an unpaid period allowed for one half (1/2) hour lunch, rest periods are fifteen (15) minutes in length or intermittent breaks of fifteen (15) minutes total. By supervisory approval on a case-by-case basis, lunch and breaks may be combined and taken at one time.
- (b) The normal workweek and normal workday for Traffic Support Specialists may be modified to accommodate training or educational requirements with as much notice as possible, but not less than seven (7) calendar days' notice.

12.04 Work Shifts. All work shifts shall be determined by the Department. Starting times for regular assigned shifts will be:

Day Shift shall start between 0400 hours and 1059 hours
Second Shift shall start between 1100 hours and 0359 hours

Employees shall have a minimum of eight (8) hours off between shifts. If an employee returns to work with less than eight (8) hours off, they shall receive pay at the overtime rate for all time worked until eight (8) hours have passed since the end of the prior hours worked.

12.05 Overtime Pay & Approval and Assignment of Overtime. Authority for the approval of overtime work shall be limited to Department management or its designees. An employee who accepts an overtime assignment is expected to fill that assignment.

Reasonable efforts will be made to offer overtime assignments on an equitable basis to all employees. All hours worked in excess of eight (8) or ten (10) hours per workday, or forty (40) per workweek, shall be paid at the rate of time and one-half (1.5) 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 14.03, shall

not count as hours worked or compensated for calculation of overtime thresholds. There shall be no compounding or "pyramiding" of overtime pay. Overtime provisions in this Article are subject to the requirements of the Fair Labor Standards Act (FLSA).

12.06 Trading Days Off. Effective upon ratification and execution by the parties, with supervisory approval an employee may trade days off with another employee, provided that the trade involves an even, reciprocal arrangement that is accomplished within a twenty-eight (28) day period. When trading days off, employees' paychecks will vary to show actual time worked, and hours in excess of the provisions of Section 12.05 of this Article resulting only from the trade shall be compensated at the straight-time rate. In the event a person scheduled to work pursuant to a shift trade arrangement fails to report to work as agreed, the appropriate leave bank of that person will be charged.

12.07 Mealtime Disruption. In the event an employee is called back to work from mealtime and is not provided a meal period of reasonable duration later in the 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 a 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 fourteen (14) days' advance notice in the event of shift change unless mutually agreed to by the Employer and the employee.

12.09 Daylight Savings Time. When time is officially changed (as from standard time to daylight savings time or vice versa) during an employee's working hours, the employee shall be paid for actual hours worked. If the employee loses a straight-time (non-overtime) hour, the employee will not receive pay for that straight-time hour, unless the employee elects to use vacation to replace the lost hour. If an employee works an extra hour, the employee will receive pay subject to the overtime provisions of the Collective Bargaining Agreement.

12.10 Mandatory overtime will only be scheduled when there are no volunteers who have agreed to an overtime assignment. Mandatory overtime will be assigned in inverse order of seniority.

ARTICLE 13 – PAID TIME OFF (PTO)

13.01 Annual paid time off with pay shall be granted to all employees on the following basis:

Scheduling of PTO 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 PTO leave of up to the number of hours accrued at the time of the desired PTO 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 PTO schedules shall be made to the Department Head on a PTO 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 PTO Leave. Effective upon ratification between the parties, PTO 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 PTO leave shall be forfeited, unless the reason for not taking such PTO leave is at management's direction, such as under emergency conditions. In such event, unused PTO leave shall not be forfeited. Employees shall be responsible for scheduling annual leave in order to avoid any forfeiture of PTO leave.

13.03 Rates of Accrual. Employees accrue PTO based on their straight time hours paid and length of tenure. Accrued days (as shown below) are based on a full-time employee working eighty (80) hours per pay period; part-time employees earn a proportional share of PTO hours. PTO may be used for vacation, appointments, illness, etc.

Accrual Rates:

- (a) Up to 19.6 days (156.8 hours maximum) may be earned annually between the start of employment and the end of the third year of employment. During this period eligible employees accrue 0.07538 hours per straight-time hour paid.
- (b) Up to 24.6 days (196.8 hours maximum) may be earned annually between the beginning of the fourth year and the end of the seventh year of employment. During this period eligible employees accrue 0.09462 hours per straight-time hour paid.
- (c) Up to 27.1 days (216.8 hours maximum) may be earned annually between the beginning of the eighth year and the end of the eleventh year of employment. During this period eligible employees accrue 0.10423 hours per straight-time hour paid.
- (d) Up to 29.6 days (236.8 hours maximum) may be earned annually between the beginning of the twelfth year and the last day of employment. During this period eligible employees accrue 0.11385 hours per straight-time hour paid.

13.04 Payment for PTO Leave at Termination. Upon termination, regular permanent employees, with more than six (6) months of Port employment, shall receive a lump sum payment in lieu of unused PTO leave, based on limitations stated above and as further limited by this Article. Pension and benefit contributions associated with this lump sum payment shall be addressed in accordance with law. Pay for unused PTO leave shall be computed through

the last day of employment. This Section may be subject to modification to meet legal requirements in the event of further changes in State law.

13.05 In the event of a bona fide family emergency at the Chief's discretion, the Chief or their designee can permit an employee to take one (1) day off with PTO leave applied as compensation.

13.06 If the lateral is hired from within the Port of Seattle, they shall use their original hire date with the Port of Seattle for the purpose of PTO accrual as defined in Article 13, Section 13.03 of the current Agreement.

13.07 Effective upon ratification and execution between the parties, employees may cash out PTO according to the limits and procedures for the cash out of PTO as applied to non-represented employees. Pension and benefit contributions associated with this cash out payment shall be addressed in accordance with law. The Union shall be notified of changes to the limits and procedures affecting PTO cash out.

ARTICLE 14 – HOLIDAYS

14.01 All eligible employees shall receive eighty-eight (88) or one hundred and ten (110) holiday hours per year based upon eleven (11) recognized holidays and a five (5) day, eight (8) hour or four (4) day, ten (10) hour schedule. Holiday hours will accrue on the basis of the eleven (11) recognized Port holidays listed in Article 14.02 below as they occur in the calendar year for a total of eight (8) hours per holiday on a five (5) day eight (8) hours schedule or ten (10) hours per holiday on a four (4) day ten (10) hour schedule.

14.02 The holidays are in recognition of eleven (11) Port of Seattle holidays listed in the Port of Seattle Salary and Benefit resolution HR-5, and serves as a basis for compensation. The eleven (11) holidays are as follows:

- New Year's Day
- Martin Luther King Jr. Day
- President's Day
- Memorial Day
- Juneteenth
- Independence Day
- Labor Day
- Thanksgiving Day
- Native American Heritage Day
- Christmas
- Port Designated Floating Holiday (Day before or after Christmas as determined by the Port Human Resources Department)

14.03 Pooled Holiday Leave may be used once accrued in one (1) hour increments in the same manner and with the same restrictions as PTO, upon approval of the Supervisor. During the year, employees may request payment for their unused holiday hours, and such holiday leave cash-out (if requested by an employee) will occur twice (2x) per year,

in the last paycheck of June, for those holiday hours that have already accrued and the first paycheck of January in the subsequent year, for the remainder holiday hours that have already accrued. No pooled holiday hours may be carried over from year to year. Pension and benefit contributions associated with this cash out of holiday hours shall be addressed in accordance with law.

Up to four (4) holidays not used or cashed out at the end of the calendar year can be exchanged for vacation that was already used at any time within the same calendar year.

Compensation tied to holiday cash out will only be reported to the Department of Retirement Services on the basis of the eleven (11) Port of Seattle recognized holidays.

14.04 Absent supervisory approval, employees may not use Pooled Holiday Leave during the first six (6) months of employment.

14.05 Holiday leave that has accrued is payable, in a monetary amount, to the employee's spouse or other designated beneficiary in the event of an employee's death.

ARTICLE 15 – UNIFORMS AND EQUIPMENT

The Port shall provide and maintain uniforms and equipment for all Traffic Support Specialists in accordance with requirements as established by the Chief. The Port shall provide a location to store the Traffic Support Specialists' equipment.

ARTICLE 16 – REQUESTED BENEFITS

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

- (a) Unemployment compensation benefits under the Washington State Employment Security Acts.
- (b) Social Security Insurance (FICA) as covered by the Federal Insurance Contribution Act. (Contingent on retention of the program for all Port employees.)
- (c) Parking as currently provided limited to employees on duty status.
- (d) Locker and lunch facilities
- (e) Washington State Self-Insured Worker's Compensation.
- (f) Educational assistance for employees shall be subject to approval of the Chief. 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 Chief, the Port shall provide reimbursement limited to job related educational curricula on the following basis:

- (1) For employees engaged in continuing education at accredited institutions to obtain a college degree, fifty percent (50%) of tuition costs following one (1) year of continuous employment and seventy-five percent (75%) following four (4) years of continuous employment. Payment will be made upon evidence of satisfactory completion and will cover tuition fees only. Reimbursement may be applied for each following semester. 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.
 - (2) After one (1) year of continuous employment, for individual courses limited to job related subject matter and not in connection with course work for a college degree, one hundred percent (100%) reimbursement for tuition only. Reimbursement shall be provided after evidence of satisfactory completion. This applies to courses taken as a result of a request initiated by an employee. However, non-mandatory specialized police/fire training courses taken at the option of the employee shall result in reimbursement to the Port by the employee for actual expenses if the employee voluntarily resigns (for other than medical reasons) or retires in less than two (2) years after completion of the special training.
 - (3) For courses or seminars initiated for an individual employee at the direction of the Chief, reimbursement shall be provided for the entire cost(s) of such instruction. Reimbursement shall include amounts to cover tuition, books, and miscellaneous instructional fees.
 - (4) 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.
- (g) 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 Agreement or to negotiation by the Union.
- (h) Pacific Coast Plan. Effective January 1, 2025, the Port agrees to contribute to the Pacific Coast Benefit 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:

- (1) Effective upon ratification and execution between the parties, one dollar and thirty-five cents (\$1.35) per hour compensated for the term of the agreement..

(i) The Port will comply with the Uniform Services Employment and Re-employment Act (USSERA) for pension contributions.

(i) 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.

(j) The Port of Seattle will allow Traffic Support Specialists the opportunity to attend the Port of Seattle retirement planning seminars upon supervisory approval.

(k) Flexible Spending Account. Employees shall be eligible for participation in the Port of Seattle's Flexible Spending Account program. Eligibility and participation of employees shall be subject to the terms and conditions of such plan including any plan amendment, revision, or possible cancellation. It is further agreed that content of the plan itself, plan administration, and any determination made under the plan shall not be subject to the Grievance Procedure (Article 24) or to any other provision of this Labor Agreement or to negotiation by the Union.

(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 advance notice of any change.

(m) Port of Seattle Long Term Care Insurance. If the Port adopts a Long-Term Care Insurance Program, the parties will discuss the availability of such Long-Term Program, if applicable, to Traffic Support Specialists.

ARTICLE 17 – LEAVE WITHOUT PAY

17.01 After one (1) year of service, an employee shall be eligible for a leave of absence without pay not to exceed six (6) weeks. Leave of absence without pay may not be approved unless it will occur after all appropriate paid leave accruals are exhausted. 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.

17.02 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.

17.03 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.

17.04 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.

17.05 Employees shall be eligible for family leave pursuant to the Family and Medical Leave Act (FMLA), Washington Family Care Act (WCA), and Port policies relating to the FMLA and WCA.

ARTICLE 18 – SICK LEAVE

18.01 **Eligibility.** Full or part-time, regular, or limited duration employees who are regularly scheduled to work twenty-one (21) or more hours per week.

Accrual Rates

Eligible employees shall accrue sick leave at the rate of .025 per hour per hour compensated. Sick Leave will accrue in two banks:

Bank 1) Protected Sick Leave:

0.025 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. There is no limit on the amount of Protected Sick Leave that may be accrued in a calendar year

Bank 2) Paid Sick Leave:

0.025 will accrue as Paid Sick Leave per hour compensated, but not worked.

On January 1st 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. In the event of illness, Sick Leave up to the accrued balance may be used after employment of at least thirty (30) days.

18.02 Sick leave is accrued after thirty (30) days of continuous employment and is to be used under the conditions stated in Section 18.03 of this Article as provided by law.

18.03 Except as provided in Sections 18.08 of this Article and by law, sick leave will be used only in instances of non-job related employee or dependent illness or injury. However, sick leave may be used to cover normally scheduled workdays within the three (3) day exclusion of the Washington State Workers' Compensation Program. Such special application of sick leave would be limited to those employees who are not eligible for benefits provided in Article 19, Sections 19.01 and 19.02.

18.04 Departmental management may require a physician's statement to validate use of sick leave and/or to determine that an employee's return from absence due to illness or injury is sanctioned by the attending physician as provided by law.

18.05 Sick leave shall be applied for employee non-duty disabilities in coordination with the Teamster Plan A indicated in Article 19, Section 19.02. In no case shall the combined effect of sick leave and/or other benefits be applied so that compensation exceeds the employee's normal rate of pay.

18.06 Upon termination or retirement following five (5) continuous years of active employment in a permanent position with the Port, qualified employees shall be compensated for fifty percent (50%) of their unused sick leave at the rate of pay at termination. . Pension and benefit contributions associated with this lump sum payment shall be addressed in accordance with law. Such accumulated sick leave payoff is payable to the employee's spouse or other designated beneficiary in the event of an employee's death.

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

18.08 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 advance notice of how the Port intends to comply, and when and if there are any changes.

Effective upon Union ratification of the Agreement, the Port will pay the employee portion of the premium associated with this provision.

18.09 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 19 – TEAMSTERS HEALTH AND WELFARE PROGRAMS

19.01 The Port agrees to provide health and welfare benefits listed in Sections 19.02 for all active employees working under the jurisdiction of said Union for not less than eighty (80) hours employment in the previous Port payroll calendar month which includes all compensable time.

19.02 Effective January 1, 2025 (based on December 2024 hours), the Port agrees to provide the following benefits:

- (a) Medical - benefits under the "PLAN B" (Includes the additional nine (9) month waiver and domestic partner coverage).
- (b) Dental - "PLAN A"
- (c) Vision - "Extended Benefits"
- (d) Time loss "Plan A" (\$400/week)

19.03 Effective January 1, 2022, employees in the bargaining group will be provided with Teamsters Life and AD&D benefits “Plan A” at no cost to the employees for the term of the Agreement.

19.04 Effective January 1, 2025, the Port will pay the monthly composite (Medical, Dental, Vision), including domestic partner coverage, and the medical nine (9) month waiver monthly premium rate of Teamsters Medical Plan B for the term of the Agreement except as otherwise provided below in this subsection.

Effective January 1, 2025 each employee shall contribute fifty dollars (\$50.00) per month toward the cost of the plans in Article 19.02. Employee contributions shall be deducted on a pre-tax basis.

Effective October 1, 2026 each employee shall contribute sixty dollars (\$60.00) per month toward the cost of the plans in Article 19.02. Employee contributions shall be deducted on a pre-tax basis.

19.05 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.

ARTICLE 20 – PENSION

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

ARTICLE 21 – PERFORMANCE OF DUTY, STRIKES, AND LOCKOUTS

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 22 – 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 23 – ENTIRE AGREEMENT

23.01 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.

23.02 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 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 ten (10) 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 Commander. 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 Commander (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 Commander, 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 ten (10) day time limit referenced in Section 23.03, 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.

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 – LABOR MANAGEMENT COMMUNICATION COMMITTEE

The Parties agree to establish a Labor Management Communication Committee for the purpose of ensuring continuing communication and to promote constructive labor-management relations. The Committee will meet at the request of either the Union or Port to discuss and exchange information of a group nature and of general interest to both parties.

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 – APPENDICES AND MEMORANDA OF AGREEMENT INCORPORATED INTO AGREEMENT

By reference herein, the Letter of Agreement and Appendices listed below are hereby made part of this Agreement and do not require individual Employer-Union signature.

- Appendix A – Pay Rates
- Appendix B – Drug Testing/Substance Tests
- Appendix C – Job/Shift Bidding
- Memorandum of Agreement – Code of Conduct

ARTICLE 28 – TERMS OF THE AGREEMENT

This Agreement shall remain in full force and effect from January 1, 2025 through December 31, 2026. 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 Officer

Paul Dascher Secretary-Treasurer

Date

Date

APPENDIX A
PAY RATES

I. Pay Schedules

- (a) Effective upon Union ratification of the Agreement, the following wage rates shall apply:

<u>Job Title</u>	<u>Length of Service</u>	<u>Rate of Pay</u>	<u>Effective January 1, 202</u>
Traffic Support Specialists	Entry	\$ 23.02	\$26.64
	One (1) Year	\$23.93	\$27.71
	Two (2) Year	\$24.89	\$28.81
	Three (3) Year	\$25.89	\$29.97
	Four (4) Year	\$26.92	\$31.16

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

- (b) The parties 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 to October, with a zero percent (0%) minimum and a six percent (6%) maximum. Notwithstanding this past practice, the parties hereby agree to the following wage increases for this 2025 to 2027 collective bargaining agreement -

(c) The wage scales shall be adjusted by applying percentage increase, including the entry step, as follows:

(1)

(2) .

(3) .

Effective January 1, 2025, base hourly wage rates will be increased by nine and six tenths percent (9.6%).

- (2) Effective January 1, 2026, base hourly wage rates will be increased by four percent (4.0%).

II. LONGEVITY PAY

Effective upon ratification and execution between the parties, base pay for the Traffic Support Specialists classification shall be increased by the following longevity premium schedule based upon date of hire:

- (A) From the start of the sixty-first (61st) full month to and including the one hundred twentieth (120th) full month of continuous employment, permanent employees shall be paid a longevity premium of two percent (2%).

- (B) Effective upon ratification and execution of the agreement between the parties, from the start of the one hundred twenty first (121st) full month and each full month thereafter of continuous employment, permanent employees shall be paid a longevity premium of three percent (3.0%).

III. Traffic Support Specialists Lead. Effective upon ratification and execution of the agreement between the parties, the Port shall assign a Traffic Support Specialists to function as a Lead, duties and responsibilities to be determined by the Police Chief, when the minimum staffing level of the Traffic Support Specialists bargaining unit reaches a total of fourteen (14) Traffic Support Specialists or when operationally feasible as determined by the Police Chief. Additional lead assignments may be made at the Police Chief's discretion.

There shall be an annual selection and sunset for Traffic Support Specialist Lead assignment(s). The Police Chief will have the discretion to remove a Traffic Support Specialists from a lead assignment at any time.

The pay differential of a Traffic Support Specialists assigned as a lead shall be four percent (4%) above the employee's base rate. A Traffic Support Specialists assigned to function as a lead will maintain the four percent (4%) premium only if they are able to fulfill the duties and responsibilities of the lead position as determined by the Police Chief.

IV. Shift Differential. Effective upon Union ratification of the Agreement, employees who have bid the second shift (1100-0359) shall receive a two percent (2%) differential above the employee regular rate of pay for all compensable hours, provided however that any employee who is receiving a higher shift differential at the time of ratification shall be red-circled at that higher shift differential rate until the employee is permanently reassigned to a day shift position. If a Traffic Support Specialists is permanently reassigned to a day shift position, the two percent (2%) night differential shall cease

immediately. If circumstances pull a Traffic Support Specialists from night shift for more than thirty (30) days, the differential shall cease until the Traffic Support Specialists returns to the assigned bid night shift.

- V. 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.
- VI. Payroll. As a condition of continued employment, all employees are required to participate in the Port's direct deposit program for payroll purposes.
 - (a) 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 Port of Seattle 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.
 - (b) 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.
 - (c) 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.

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 Traffic Support Specialists 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, employee shall mean entry level probationary employee.

- (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 any entry level probationary employee may be tested for drugs, the Port must meet the following prerequisites.
 - (1) Entry level probationary employees in the bargaining unit must be clearly informed of what drugs or substances are prohibited by the Port.
 - (2) The Port must 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.
- (c) The Department shall also have the discretion to order any entry level probationary sworn 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 a GC/MX 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 tests performed on entry level probationary members of the Department:

- (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 a 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.
- (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 (2) equal parts. Each of the two (2) 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 twenty-four (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.
- (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 twenty-four (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 (1) 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.

**APPENDIX C
JOB/SHIFT BIDDING**

The Master schedule will be reviewed and may be revised periodically by management at least annually. The upcoming master schedule will be posted at least seven days prior to the start of bidding. The Master bid schedule shall be completed by the last day of the month, two months prior to the effective date of the schedule. Employees may not change their selection after completing their bid. Bids will be for the full Master schedule duration.

Bids will be for the specific start times and days off. All employees will have 24 hours to make their selection after being notified. Should management have the need under special circumstances to schedule individuals to specific shifts, they shall maintain the ability to do so.

**MEMORANDUM OF AGREEMENT
By and Between
PORT OF SEATTLE POLICE DEPARTMENT
And
TEAMSTERS LOCAL UNION NO.117
Affiliated With The
International Brotherhood of Teamsters
REPRESENTING TRAFFIC SUPPORT SPECIALISTS**

Re: Code of Conduct

All employees in the bargaining unit shall be subject to the Port of Seattle's Code of Conduct contained in the Port of Seattle policies.

Side Letter to the 2025-2027 Agreement
By and between
PORT OF SEATTLE
And
TEAMSTERS LOCAL UNION NO. 117
Affiliated with the International Brotherhood of Teamsters
Representing Traffic Support Specialists

The Port and the Union agree to the following contract reopener during the term of the 2025-2027 CBA.

Multilingual Incentive

During negotiations for the 2025-2027 Agreement the parties recognized the benefits of a multilingual incentive to both the employees and the employer. The parties thus agree to reopen the Agreement no later than October 1, 2025, for the limited purpose of negotiating the establishment of a multilingual incentive.

Nothing in this reopener agreement will be considered a waiver of any right of the Union to bargain over changes to member's wages, hours, or working conditions.



**COMMISSION
AGENDA MEMORANDUM**

Item No. 8f

ACTION ITEM

Date of Meeting August 12, 2025

DATE: August 5, 2025

TO: Stephen P. Metruck, Executive Director

FROM: Keri Stephens, Director, Aviation Facilities and Capital Programs

SUBJECT: Aviation Planning Services Indefinite Delivery, Indefinite Quantity (IDIQ) Professional Service Agreements

Amount of this request	\$0
Maximum value of contracts	\$15,000,000

ACTION REQUESTED

Request Commission authorization for the Executive Director to execute two indefinite delivery, indefinite quantity (IDIQ) contracts for \$7,500,000 each for Aviation Planning Services at Seattle-Tacoma International Airport totaling no more than \$15,000,000 with a three-year ordering base period and two one-year options. No funding is associated with this authorization. Any work conducted under these contracts will require additional Commission authorization, either through the annual operating budget or specific capital funds request.

EXECUTIVE SUMMARY

In 2022, Aviation Planning executed two IDIQ contracts for Aviation Planning Services totaling \$15,000,000. These contracts are now approaching the end of their authorization capacity and additional planning services are needed over the next five years.

Planning is required to provide on-going assessment of airside facilities and the three main functional elements of the airport’s terminal area (terminal building, terminal apron, terminal landside), which is essential to facilitate review and coordination of proposed airport projects. These contracts will provide subject matter expertise and additional labor to support staff in identifying and developing projects within existing facilities and to conduct additional planning and preliminary design of any proposed projects.

The intent is to execute two \$7,500,000 contracts that include a Woman and Minority Business Enterprise (WMBE) aspirational goal of 15% participation. Once the contracts have been awarded and executed, the WMBE aspirational goals will become a requirement.

Meeting Date: August 12, 2025

JUSTIFICATION

On-going planning is required to provide Port leadership and project teams information necessary to guide program development and define projects. Given the recent recovery to pre-pandemic activity levels and the constrained physical conditions at SEA, large investments in capital improvements to the airport's facilities will be needed to meet current and evolving operational needs of the airport. The first step in developing capital improvement projects is to complete aviation planning tasks that define the scope of a project and establishes preliminary requirements. At SEA this planning exercise will be needed for any proposed facility expansion and becomes even more important without facility expansions.

On-going planning is also needed to identify and develop projects within existing facilities and to address emerging and sometimes unforeseen issues. Given the often time sensitive and sporadic nature of the workload, the most cost effective and efficient way to conduct planning is for Planning staff who have knowledge of Sea-Tac facilities and processes to conduct a portion of this work in-house and also lead planning efforts that rely on a combination of consultant resources and in-house expertise from Planning and other departments.

Diversity in Contracting

Port staff has worked with the Diversity in Contracting Department to establish a women- and minority-owned business enterprise (WMBE) aspirational goal of 15% participation for the contracts.

DETAILS

Under the Airport Planning Services IDIQ contracts, the consultants shall provide the necessary professional, technical, and advisory services, including all labor, equipment, and materials to successfully provide on-call planning support services. Assigned work will consist of providing studies and producing reports, memos and technical documents for review and approval by Port staff. Detailed scopes of work and cost estimates will be prepared on an individual basis for each task.

The IDIQ contracts will be procured according to Port policies and procedures in accordance with the General Delegation of Authority and procurement policy CPO-1. The Port will advertise and issue a solicitation. The contracts will be written with specific not-to-exceed amounts and identify the services required. Each contract will have a contract ordering period (during which the services may be separately authorized) of three years with two one-year options to extend the ordering period. The actual contract duration may extend beyond five years in order to complete the work identified in the particular service directives. Service directives may be issued during the contract-ordering period and within the total original contract value.

Meeting Date: August 12, 2025

Port staff is partnering with the Diversity in Contracting department in outreaching to small and WMBE businesses, informing them of the upcoming opportunities that align within the IDIQ scopes of work.

Scope of Work

The professional, technical and advisory services are to address a broad range of airport facilities and operations including: airside, terminal, cargo, airport support, airline support and landside planning; conceptual design; capital programming; airport operations; and Federal Aviation Administration (FAA) and Transportation Security Administration (TSA) regulatory, planning considerations.

The scope of work includes studies under the broad headings of aviation planning, and related studies. These studies include, but are not limited to, the following activities:

1. Airport data collection and facility inventories.
2. Facility demand/capacity analysis.
3. Alternatives development/assessment.
4. Site planning and facilities space program development.
5. Cost estimation.
6. Airfield modeling.
7. Terminal planning.
8. Traffic analysis.
9. Aircraft parking and gate area planning.
10. Preparation of or updating of the airport layout plan.

Schedule

We estimate that these contracts will be executed in Q4 2025 and have a three-year ordering period with two one-year options to extend the ordering period. Each service directive will specify the duration and schedule associated with the task or tasks involved.

ALTERNATIVES AND IMPLICATIONS CONSIDERED

Alternative 1 – Build up in-house staff on a limited duration basis to provide required planning services

Pros:

- (1) Over the length of the work, this option may show cost savings

Cons:

- (1) Time to build up adequate staff with the necessary specific skill sets would take 18 to 24 months. This would substantially hinder the Port’s ability to conduct planning and provide timely information to the capital project decision making process.

Meeting Date: August 12, 2025

- (2) The type of work needed has an expected lifespan and will not be continuous. Adding full time in-house staff would create long-term costs and would provide expertise that would not be needed during certain times of the work. Under these circumstances of a limited duration hire, it would be difficult to attract and retain talent.
- (3) To be cost effective, the new Port staff would need to have a broad set of specific skills which would be difficult to acquire in a manageable number of additions. Consultants have staff with these specific skills and can utilize them on an hour-by-hour basis as needed.

This is not the recommended alternative.

Alternative 2 – Separate procurement for each task

Pros:

- (1) Separate contract procurements would allow consulting firms multiple opportunities to compete for each individual task.

Cons:

- (1) This alternative would increase overhead and administrative costs to the Port, as we would need to manage more procurement processes and contracts.
- (2) This alternative may add months to each task to complete the procurement process for each individual project and would impact the ability to meet the needs of the airport.
- (3) Costs to the consulting companies may increase as they would be responding to multiple procurements.

This is not the recommended alternative.

Alternative 3 – Single procurement resulting in two IDIQ contracts

Pros:

- (1) This alternative would ensure the Port has the necessary professional, technical and advisory resources available to assist with time critical planning efforts and delivery of potential future capital work.
- (2) Small business participation will be a contract requirement.
- (3) This alternative would minimize the number of procurement processes necessary for timely completion of tasks and reduce overhead and administrative costs to the Port and consultants.

Cons:

- (1) This alternative would limit the number of opportunities available to firms to compete for more discrete packages of work.

This is the recommended alternative.

Meeting Date: August 12, 2025

FINANCIAL IMPLICATIONS

Charges to these contracts will be from the Aviation Division’s operating expense budget or from capital funds under separate Commission authorization. Consequently, there is no funding request associated with this authorization.

Annual Budget Status and Source of Funds

There is no funding request associated with this authorization. Individual service directives will be executed to authorize the consultant to perform any specific work on the contract against approved budget authorizations and within the total contract amount.

ATTACHMENTS TO THIS REQUEST

None

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

- August 9, 2016 – Commission authorization for the Chief Executive Officer to execute up to four IDIQ contracts for Airport Planning Services totaling no more than \$10,000,000.
- October 23, 2018 – Commission authorization for the Chief Executive Officer to execute up to two IDIQ contracts for Airport Planning Services totaling no more than \$15,000,000.
- March 8, 2022 – Commission authorization for the Chief Executive Officer to execute up to two IDIQ contracts for Airport Planning Services totaling no more than \$15,000,000.



**COMMISSION
AGENDA MEMORANDUM**

Item No. 8g

ACTION ITEM

Date of Meeting August 12, 2025

DATE: July 7, 2025
TO: Stephen P. Metruck, Executive Director
FROM: William Shelton - Contractor, Capital Project Manager
Jennifer Maietta, Director, Real Estate Asset Management
Stephanie Jones-Stebbins, Managing Director, Maritime

SUBJECT: Waterfront Smart Meters (C801269)

Amount of this request: \$4,000,000
Total estimated program cost: \$13,000,000

ACTION REQUESTED

Request Commission authorization for the Executive Director to approve additional funding for design and construction of the Waterfront Smart Meters Program in the amount of \$4,000,000 for a total authorized amount of \$4,475,000.

EXECUTIVE SUMMARY

Initially authorized by Commission in September 2024, the Waterfront Smart Meters program (CIP C801269) will accomplish the following objectives:

- Upgrade existing metering infrastructure across waterfront properties to smart meters for accurate, remote, automated, real-time data collection to meet future city and state energy and greenhouse gas reporting requirements.
- Install related equipment (gateways, cellular communication, conduits, network switches, etc.) needed to establish a secure and reliable communication network between smart meters and the Port’s Energy Management System (EMS), currently under development.

Buildings and level of metering are being prioritized through the phasing of this CIP to meet city and state energy compliance requirement deadlines. At the program level, it is anticipated that about 164 electric and natural gas meters would be installed, but this number will be refined as design advances. This request will fund the construction of the first set of meters to be installed and continuing design effort.

Meeting Date: August 12, 2025

JUSTIFICATION

Much of the waterfront utilities are currently being metered using traditional utility meters which require manual recording to determine energy use. Manual reading of utility meters is inefficient, costly, and can be inaccurate. In addition, the City of Seattle and the State of Washington are currently changing their energy reporting requirements to require the utilization of smart meters for energy use reporting purposes.

The Port's Maritime Environmental and Sustainability Department (ME&S) procured the services of a consultant in 2021 to survey the Port's existing Waterfront infrastructure to make preliminary building-meter assignments, as well as provide key findings and recommendations for implementation of smart meters across the Port's Waterfront Facilities. Using the results from the survey, ME&S developed the smart meter program which looks to install electric, water and gas smart meters across waterfront facilities. Deployment of this technology is being phased and prioritized to meet compliance requirements.

This project is in support of the Port's Century Agenda goal to be the greenest, most energy efficient port in North America. It will enable the Port to comply with local and state energy codes, enable accurate and transparent calculation of Energy Use Intensity to meet the WA Clean Building Performance Standard (CBPS), and provide efficient energy-use data gathering needed to better identify and plan future building energy efficiency projects.

Installation of Smart Meters will provide the following benefits:

- Electricity monitoring at 10-minute intervals.
- Natural gas monitoring at 1-hour intervals or better.
- Greenhouse gas emissions monitoring.
- Revenue-grade utility monitoring.
- Enable facility managers to identify equipment issues.
- Enable remote reading of utility meters to increase safety, save time, and improve accuracy.
- Compliance with Clean Building Performance Standard.
- Compliance with Building Emissions Performance Standard.
- Compliance with Seattle Commercial Energy Code.
- Data to perform capital planning for converting HVAC and domestic hot water from natural gas to electricity.

Diversity in Contracting

The design is being accomplished by Port of Seattle engineering staff while construction will be executed by PCS.

Meeting Date: August 12, 2025

DETAILS

This project includes installation of natural gas, water, and electric smart meters and all associated conduit, cable, LTE connections, network switches, and gateway infrastructure. These meters will also be connected to the Port’s energy management system where the data from the meters will be stored for future analysis and reporting. This funding will enable the construction of the Phase 1 Smart Meters and the design of Phase 2 Smart Meters as well as potentially the design of other future phases of the smart meter program.

Scope of Work

The following buildings will have existing meters replaced and/or new smart meters installed to monitor building level energy use.

Phase 1 (Construction):

- Pier 66 Conference Center and Cruise Terminal
- Terminal 91 Smith Cove Cruise Terminal and C-175
- World Trade Center West
- Marine Maintenance Building A-1
- Fishermen’s Terminal C-15

Phase 2 (Design):

- Fisherman’s Terminal campus
- T91, Buildings A-1, C-155, C-173
- Maritime Industrial Center Building A-1
- Pier 66 Anthony’s Restaurant

Future Phases (Design):

- Other Port Maritime Facilities yet to be identified by Environmental Sustainability

Design scope:

1. Develop 30%, 60%, 90%, 100%, and ready for award drawings and specifications.
2. Develop cost estimates for construction phase of project.
3. Environmental and permitting support.
4. Coordination with Port of Seattle ICT and the new EMS provider.
5. PCS pre-award support and coordination.

Each smart meter will need to be connected to an Energy Management System (EMS) to allow for remote reading. The ME&S and ICT teams are currently working on selecting a new EMS provider within the next six months under a separate project. Design of the smart meters will not be completed until an EMS provider is on board to allow for coordination.

Construction scope:

1. Install new smart meters or replace existing meters with smart meters.

Meeting Date: August 12, 2025

2. Install conduit and cable from smart meters to EMS communication hardware which will also be installed under this scope.
3. Provide an LTE connection between some smart meters and the EMS gateway as indicated in the design.
4. Ensure smart meters are connected to the Port’s network and are communicating with the Port’s new EMS.

Schedule

Activity

Preliminary Design start	February 2024
Commission authorization for Phase 1 design	September 2024
Commission authorization for additional design/construction	August 2025
Procurement of new EMS complete (estimated – separate project)	Q1 2026
Smart Meters construction start (first phase)	Q2 2026
Smart Meters construction complete (first phase)	Q1 2027
Commission authorization for additional design/construction	Q2 2027
In-use date (all meters)	Q4 2029

Cost Breakdown

	This Request	Total Program
Design	\$500,000	\$975,000
Construction	\$3,500,000	\$3,500,000
Program Total	\$4,475,000	\$13,000,000

ALTERNATIVES AND IMPLICATIONS CONSIDERED

Alternative 1 – Defer installation of smart meters and rely on utility billing data for energy information and conduct required audits as a means of achieving compliance with city and state law.

Pros:

- (1) Preserve capital capacity for other projects.

Cons:

- (1) Meter reading will need to be done manually, which is time consuming and labor intensive.
- (2) Potential for reporting errors due to manual readings.
- (3) Without installing these smart meters, the Port may not meet future state and local energy reporting requirements. As a result, the Port may need to expend further funding to install energy-efficiency measures (EEM) to meet clean building performance standards.

This is not the recommended alternative.

Meeting Date: August 12, 2025

Alternative 2 – Install smart meters at all waterfront facilities at once

Pros:

- (1) Allows for installation of all meters across the waterfront facilities.
- (2) Potential for decreased cost as work will be done all at once.

Cons:

- (1) Does not allow for prioritization of facilities. May result in not meeting City and State energy reporting requirements.
- (2) Increased risk of design issues being compounded across all facilities. Performing the work in phases allows lessons learned to be easily developed and implemented in future phases.

This is not the recommended alternative.

Alternative 3 – Install smart meters in phases over multiple years, prioritizing facilities that need smart meters sooner than others to meet city and state reporting requirements

Pros:

- (1) Allows for prioritizing facilities to meet city and state reporting requirement deadlines.
- (2) Allows for implementation of lessons learned from one set of meters to the next.
- (3) Allows for changing design approach in future years of meter installation.
- (4) Allows for more time to develop better designs for non-time critical meters.

Cons:

- (1) Potential for increased cost due to work being done by potentially different contractors over a series of years.
- (2) Increase in the Port’s Overhead as there will need to be multiple designs developed.

This is the recommended alternative.

FINANCIAL IMPLICATIONS

Cost Estimate/Authorization Summary

COST ESTIMATE	Capital	Expense	Total
Original Program Estimate	\$13,000,000	\$0	\$13,000,000
Current Change	\$0	\$0	\$0
AUTHORIZATION			
Previous authorizations	\$475,000	\$0	\$475,000
Current request for authorization	\$4,000,000	\$0	\$4,000,000
Total authorizations, including this request	\$4,475,000	\$0	\$4,475,000
Remaining amount to be authorized	\$8,525,000	\$0	\$8,525,000

Annual Budget Status and Source of Funds

This program was included in the 2025 Capital Plan under Waterfront Smart Meters (C801269) at an estimated total program cost of \$13,321,000 over the next four years.

Meeting Date: August 12, 2025

This project will be funded by the General Fund.

Financial Analysis and Summary

Program cost for analysis	\$13,000,000
Business Unit (BU)	Waterfront Portfolio Management, Cruise Operations, Marine Maintenance, and Ship Canal Fishing & Operations
Effect on business performance (NOI after depreciation)	Annual depreciation will increase by approximately \$414K based on estimated 30-year service life, thereby reducing the NOI by the same amount.
IRR/NPV (if relevant)	NA
CPE Impact	NA

Future Revenues and Expenses (Total cost of ownership)

This project will provide accurate meter readings for billing and compliance purposes at maritime facilities across the Port. Meters will be able to be read remotely, saving the Port time and money. Accurate and timely meter readings will enable the Port to precisely bill tenants for utility costs, monitor energy usage, and run analyses to better understand how the Port is using energy. This will preserve the economic vitality of our operations and serve the Port, tenants, and their customers well by providing a safe and sustainable working environment.

ADDITIONAL BACKGROUND

n/a

ATTACHMENTS TO THIS REQUEST

- (1) Presentation slides

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

September 10, 2024 - Request Commission authorization for the Executive Director to approve design funding in the amount of \$350,000 for the Waterfront Smart Meters Phase 1 Project for a total authorized amount of \$475,000.

Waterfront Smart Meters

Additional Program Funding

William Shelton, Capital Project Manager
Jennifer Maietta, Director, Real Estate Asset Management
Stephanie Jones-Stebbins, Managing Director, Maritime

CIP # C801269



Action Requested

Request Commission authorization for the Executive Director to:

1. Approve additional funding for design and construction of the Waterfront Smart Meters Program in the amount of \$4,000,000 for a total authorized amount of \$4,475,000.

Amount of this Request: \$4,000,000

Total Estimated Program Cost: \$13,000,000

Justification

- Support Port of Seattle's Century Agenda Goal to be the greenest, most energy efficient port in North America.
- Needed to meet city and state energy and greenhouse gas reporting requirements.
- Provide transparent calculation of Energy Use Intensity to meet WA Clean Building Performance Standard.
- Support cost recovery in the form of incentives for any Energy Efficiency Measures that need to be implemented.
- Provide efficient and safe energy-use data gathering and monitoring.
- Allow for better planning of future building energy efficiency projects.

Project Scope

- Over a period of five years, the Maritime Division plans to install about 164 smart meters through the Waterfront Smart Meter Program.
- The phased implementation will allow for prioritization of facilities to meet city and state reporting requirements deadlines.
- First sites to receive smart meters are:
 - Phase 1 (Construction):
 - Pier 66 Conference Center and Cruise Terminal
 - Terminal 91 Smith Cove Cruise Terminal and C-175
 - World Trade Center West
 - Marine Maintenance Building A-1
 - Fishermen's Terminal C-15
 - Phase 2 (Design):
 - Fishermen's Terminal Campus
 - T91 Buildings A-1, C-155, and C-173
 - Maritime Industrial Center Building A-1
 - Pier 66 Anthony's Restaurant
 - Phase 3+ (Design):
 - TBD: Yet to be identified by Environmental Sustainability

Project Location



Project Location – Phase 1



Terminal 91



World Trade Center West & Pier 66

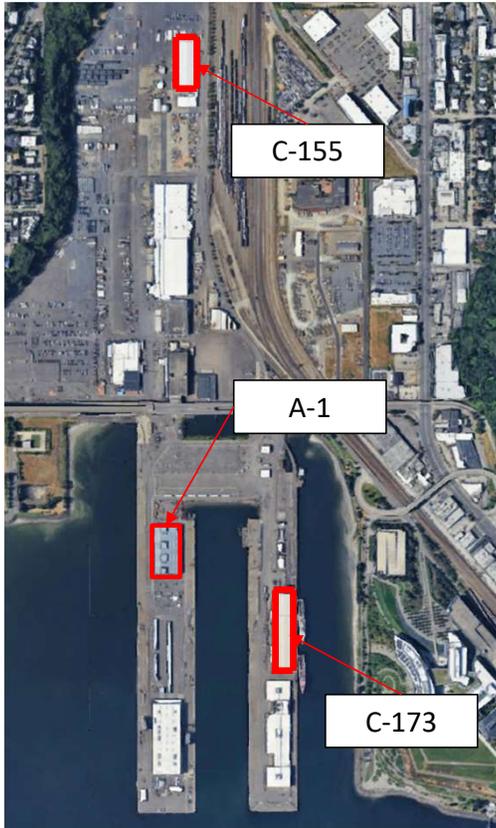


Marine Maintenance A-1

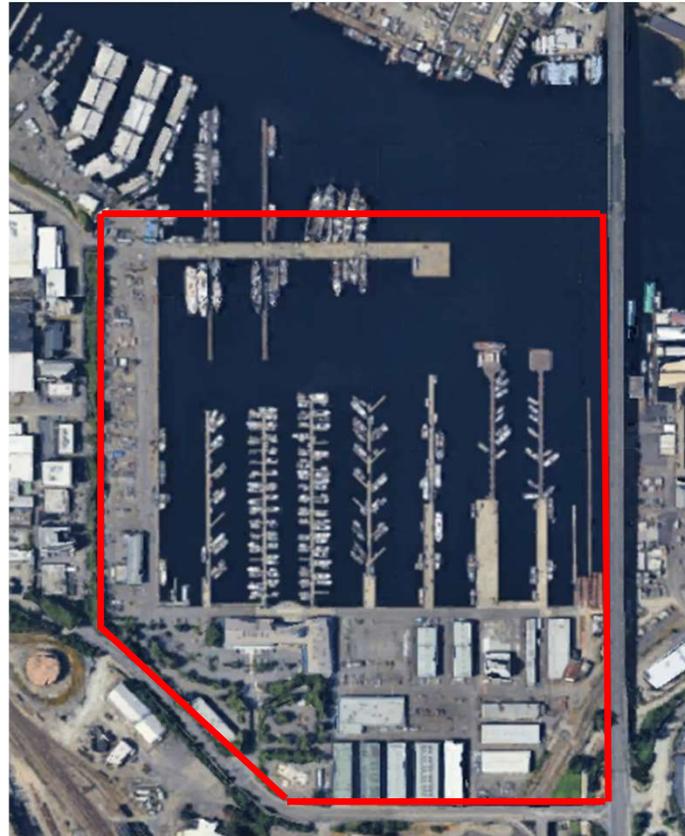


Fishermen's Terminal

Project Location – Phase 2



Terminal 91



Fishermen's Terminal Campus



Pier 66



Maritime Industrial Center

Additional Items and Outstanding Questions

- Interim EMS Provider and Network Hardware Design Support
 - Vitality is no longer the EMS provider. An EMS solution to be in place before installation of the Smart Meters.
 - ICT anticipates having the new EMS provider onboard within the next six months.
 - Design for smart meters will not be complete, and construction will not start, until EMS solution is implemented.
 - This will ensure newly installed smart meters are connected to the EMS and are remotely readable.

Risks and Opportunities

RISKS	DESCRIPTION	PROBABILITY	IMPACT	MITIGATION
Long Lead Items	Current estimated delivery time for smart meters is 6 weeks. This may increase over the coming months	Medium	Medium	Monitor lead times for smart meters. Port of Seattle
Power and Natural Gas Outages	Installation of meters will require outages to natural gas and electricity which may impact tenant operations	High	High	Schedule outages during non-standard working hours and only perform work that needs to be done during the outage to minimize impact to tenants
Interruptions to buildings/operations	Installation of conduit may occur in retail, cruise or other client facing spaces which may disrupt tenant business	High	Medium	Perform work at cruise terminal outside of cruise season. For meters which are located far away from the network gateway, consider using an LTE connection.
Implementation of EMS in Design and Construction	The design and construction need to account for the new smart meters communicating with an EMS to enable remote reading. Failure to include an EMS will result in "orphaned" smart meters.	High	High	Design of Phase 1 Smart Meters has been put on pause until an EMS solution is identified and accounted for in the design and construction to ensure smart meters are not "orphaned". This is however delaying the project.

- Overall, smart meter installation has a low and manageable risk with significant benefits when complete.

Preliminary Schedule

Preliminary Design start	February 2024
Commission authorization for Phase 1 design	September 2024
Commission authorization for additional design/construction	August 2025
Procurement of new EMS complete (estimated – separate project)	Q1 2026
Smart Meters Construction Start (first phase)	Q2 2026
Smart Meters Construction Complete (first phase)	Q1 2027
Commission authorization for additional design/construction	Q2 2027
In-use date (all meters)	Q4 2029

Funding

Cost Estimate/Authorization Summary			
PROGRAM COST ESTIMATE	Capital	Expense	Total
Original Program Estimate	\$13,000,000	\$0	\$13,000,000
Current Change	\$0	\$0	\$0
AUTHORIZATION			
Previous authorizations	\$475,000	\$0	\$475,000
Current request for authorization	\$4,000,000	\$0	\$4,000,000
Total authorizations, including this request	\$4,475,000	\$0	\$4,475,000
Remaining amount to be authorized	\$8,525,000	\$0	\$8,525,000

Questions?



**COMMISSION
AGENDA MEMORANDUM**

Item No. 8h

ACTION ITEM

Date of Meeting August 12, 2025

DATE: August 5, 2025

TO: Stephen P. Metruck, Executive Director

FROM: William Shelton – Project Manager, Waterfront Project Management

SUBJECT: T91 Program Design Support Service Agreement

Amount of this request: \$0

ACTION REQUESTED

Request Commission authorization for the Executive Director to execute a Program Design Support Services Agreement for Terminal 91 capital projects included in the 5-year capital plan. The Agreement will be for \$6,000,000 and a contract duration of five years.

SUMMARY

Terminal 91 is one of the busiest and most complex Maritime Division facility, supporting several lines of business that include Cruise, Elliott Bay Fishing and Commercial Operations, as well as a portfolio of buildings used for fishing-related activities. The 5-year Capital Improvement Plan includes several upcoming capital projects at the facility. They are to: 1) rehabilitate structural elements of piers 90 and 91, 2) replace the roof and install solar panels on the Cruise terminal building, 3) upgrade aged electrical and telecommunication infrastructure, 4) install LED lighting at the Cruise terminal building, 5) redesign the West gate, and 6) replace the East guard booth. To accomplish the work more efficiently and allow for better design coordination across projects, staff are requesting the procurement of a T91 Program CAT III Design Support Service Agreement. The list of projects utilizing this program-level Service Agreement may change depending on the 5-year capital plan.

No funding is associated with this request. Budget for work performed under this contract will be authorized for each individual project.

SCOPE OF WORK

The Terminal 91 Program CAT III Design Support Service Agreement may include any or all, but not limited to, the following elements:

- Waterfront, Utility, Structural, and Infrastructure Inspections, Surveys, and Testing: Perform inspections, surveys, and material testing for waterfront structures, utilities, building, structures, and other facilities and infrastructure and provide reports detailing the findings of the inspections and recommended actions based on the findings.

Meeting Date: August 12, 2025

- Design Services: Perform design services for projects to include preliminary design through ready for construction design packages to include support during the construction bid period. This also includes the development of construction phasing plans to limit impacts to Terminal 91 operations. Specific types of design services may include, but are not limited to the following:
 - Utilities, including stormwater
 - Site/Civil
 - Sustainability
 - Permit support
 - Geotechnical
 - Architectural
 - Mechanical
 - Electrical
 - Structural
 - Marine infrastructure
 - Overwater structures

- Design and Engineering Support During Construction and Close Out: This may include but is not limited to review of submittals; change order preparations; answer bidder and contractor questions; inspections; manage construction-related documentation for third-party environmental certifications and provide as-builts that incorporate the contractor's red-line drawings in an approved POS format.

- Scheduling: Development, updating, coordination and reporting, including integrated programmatic scheduling, and resource management.

- Estimating: Development of all classes of estimate from initial planning through Engineer's estimate. Validate estimates created by designers or other estimators. Provide professional advice on trends in the local construction market that could impact estimates.

- Cost Engineering: Including cost control, estimate-at-completion development, project risk analysis, cash flow development, asset booking, life-cycle cost analysis, and project closeout.

- Permitting Assistance: Assist the Port of Seattle with preparing permit packages for submission to the permitting agencies. This may also include the consultant submitting permits on behalf of the Port as well as coordinating with permitting and governing agencies to determine which permits and codes are applicable to a project.

- Sustainability analysis as required by the Port Sustainable Evaluation Framework.

Meeting Date: August 12, 2025

- Reporting – Maintain existing report cadence and provide ad hoc reports as needed.

Projects might use a range of delivery methods as allowed by statutes and determined through the Port Acquisition Planning process.

DIVERSITY IN CONTRACTING

The proposed Terminal 91 Program CAT III Design Support Service Agreement will be competitively bid with a WMBE aspirational goal of 15%.

FINANCIAL IMPLICATIONS

Budget for work under this contract will come from individual projects, authorized separately through established procedures so there is no funding request associated with this authorization. No work is guaranteed to the consultant, and the Port is not obligated to pay the consultant until a service directed is executed and work performed.

There are no attachments to this memo.



**COMMISSION
AGENDA MEMORANDUM**

Item No. 8i

ACTION ITEM

Date of Meeting August 12, 2025

DATE: May 16, 2025
TO: Stephen P. Metruck, Executive Director
FROM: Daniel Alter, AVM Fleet Manager
Andrew Depolo, Police Commander
SUBJECT: Procurement Authorization for 2025 Police Fleet Purchases

Amount of this request: \$3,030,000
Total estimated project cost: \$3,030,000

ACTION REQUESTED

The Port Police and Aviation Maintenance Fleet Team requests Commission authorization for the Executive Director for budget authorization, and to execute contract(s) for the acquisition of approximately twenty-nine (29) police vehicles and the equipment required to in-service the vehicles, at an estimated cost of \$3,030,000.

This authorization will support the procurement of vehicles previously approved in the capital budget. The new vehicles will meet operational needs, support increased staffing levels, align with advancing technology standards, enhance safety features, and contribute to the objectives outlined in both the Sustainable Fleet Plan and the Century Agenda.

EXECUTIVE SUMMARY

The Port Police and Aviation Maintenance teams are requesting Commission authorization for the Executive Director to execute contract(s) for the acquisition of twenty-nine (29) fleet vehicles. This procurement will replace sixteen (16) aging police vehicles and expand the fleet with an additional thirteen (13) vehicles. The acquisition will be conducted under Capital Improvement Project (CIP) C802007.

JUSTIFICATION

The Port of Seattle’s Aviation Maintenance team manages a fleet of approximately 100 Police Fleet assets. This authorization will allow the Port to replace aging assets that have reached the end of their service life and acquire additional vehicles to support the growing number of full-time employees (FTEs) in the Police Department, including units assigned to the newly established Homeland Security Unit (HSU).

Meeting Date: August 12, 2025

In alignment with the Fleet Sustainability Plan, this request includes the purchase of four (4) electric vehicles (EVs) and twenty-one (22) hybrid vehicles for the Police fleet. The EVs will enable the department to begin assessing the feasibility of electric vehicle integration, focusing on operational areas where current technology can be effectively utilized. The addition of hybrid vehicles will help significantly reduce fuel consumption, particularly for patrol and K9 units, which experience extended idle times due to the need to power onboard equipment and maintain climate control for K9 officers.

Diversity in Contracting

There is a 5% aspirational goal for WMBE utilization for the procurement contract.

DETAILS

The Fleet equipment being replaced is aged and with many units beyond a normal police service life. This request authorizes the procurement of equipment and vehicle that have already been approved in the budget request. This request is for mostly small capital funded items but does included authorization for up to two large capital items.

Schedule

Commission authorization	Q3 2025
In-use date	Q4 2025 through Q4 2026

ALTERNATIVES AND IMPLICATIONS CONSIDERED

Alternative 1 – Authorize the budget and acquisition of 13 vehicles to expand the Police fleet in support of growing FTEs and the newly established HSU unit.

Cost Implications: \$1,665,310 spend on capital equipment.

Pros:

- (1) Provides critical fleet support for new staff and the HSU unit, enabling operational readiness as staffing levels increase.
- (2) Allows the Port to phase in additional vehicles over time, reducing the upfront financial burden while still addressing growth.
- (3) Opportunity to include up to ten hybrid vehicles within the 13-vehicle acquisition.
- (4) Lower capital outlay preserves financial flexibility for other high-priority initiatives or unforeseen needs.
- (5) Helps alleviate overuse of current assets, which can reduce maintenance costs and avoid operational disruptions.

Cons:

- (1) Does not address the replacement of 16 aging vehicles, which may lead to increased maintenance costs and decreased fleet reliability.

Meeting Date: August 12, 2025

- (2) May not fully meet the demands associated with increased staffing levels, potentially leading to operational inefficiencies or vehicle sharing.
- (3) With fewer vehicles acquired, the potential environmental benefits from fleet electrification and fuel efficiency are reduced.
- (4) Delaying full acquisition may result in higher future costs due to inflation, supply chain constraints, or vehicle price increases.
- (5) Fewer vehicles may result in uneven distribution of task-appropriate or specialized equipment across units.

This is not the recommended alternative.

Alternative 2 – Authorize the budget and acquisition of 16 police vehicles to replace assets that have reached the end of their useful life.

Cost Implications: \$1,364,690 spend on capital equipment replacement.

Pros:

- (1) Replaces aging vehicles with newer, more reliable assets, reducing maintenance costs and improving fleet performance.
- (2) Enhances safety and efficiency by upgrading to vehicles with modern technologies and improved fuel economy.
- (3) Supports continuity of operations by ensuring mission-critical vehicles are dependable and properly equipped.
- (4) Advances sustainability goals through the opportunity to replace outdated vehicles with up to twelve hybrid and four EV models.
- (5) Avoids escalating repair costs and downtime often associated with end-of-life fleet assets.

Cons:

- (1) Does not expand the fleet to meet growing staffing levels or provide support for the newly established HSU unit.
- (2) Limits the Port's ability to respond to increased operational demand, potentially impacting service levels.
- (3) Missed opportunity to evaluate EV integration in new operational areas, as focus remains on replacement only.
- (4) May require short-term vehicle sharing or leasing to fill gaps created by new positions without fleet expansion.
- (5) Does not fully align with strategic growth goals, as it focuses solely on asset replacement rather than future capacity needs.

This is not the recommended alternative.

Alternative 3 – Authorize the acquisition of 29 police vehicles to replace 16 assets that have reached the end of their useful life and procure 13 additional vehicles to support increased FTEs and the newly created HSU unit.

Meeting Date: August 12, 2025

Cost Implications: \$3.030 M spent on capital equipment replacement and additions.

Pros:

- (1) Replaces older, less fuel-efficient vehicles with alternative fuel options, such as hybrids and EVs, while ensuring they meet the operational needs of staff whenever feasible.
- (2) Supports the gradual adoption of EVs, enabling the Police Department to assess their operational effectiveness and identify optimal use cases within the fleet.
- (3) New vehicles and equipment feature advanced safety technologies and environmentally sustainable attributes, enhancing the overall experience for stakeholders and supporting environmental stewardship.
- (4) Reduces downtime and minimizes maintenance and repair costs by acquiring newer, more reliable vehicles and equipment.
- (5) Ensures fleet assets are specifically tailored to meet the operational requirements of various units, enhancing performance and efficiency.

Cons:

- (1) The initial acquisition costs associated with acquiring new fleet assets.
- (2) The addition of new assets will trigger a subsequent wave of vehicle replacements as older units reach the end of their service life.

This is the recommended alternative.

FINANCIAL IMPLICATIONS

<i>Cost Estimate/Authorization Summary</i>	Capital	Expense	Total
COST ESTIMATE			
Original estimate	\$3,030,000	\$0	\$3,030,000
AUTHORIZATION			
Previous authorizations	\$0	\$0	\$0
Current request for authorization	\$3,030,000	0	\$3,030,000
Total authorizations, including this request	\$3,030,000	0	\$3,030,000
Remaining amount to be authorized	\$0	\$0	\$0

Annual Budget Status and Source of Funds

This project (originally #C801414, later assigned to C802007) was included in the 2025-2029 capital budget and plan of finance with expected funding split between the Airport Development Fund and the General Fund.

Meeting Date: August 12, 2025

Financial Analysis and Summary

Project cost for analysis	\$3,030,000
Business Unit (BU)	Police allocate 80% to airport and 20% to Seaport businesses
Effect on business performance (NOI after depreciation)	NOI will be positively affected by a reduction in maintenance and fuel cost related to replacement vehicles and by cash amortization payments by the airlines for a portion of the cost; NOI will be negatively affected by the costs associated with additional vehicles and by depreciation.
IRR/NPV (if relevant)	N/A
CPE Impact	\$0.01 in 2026

ATTACHMENTS TO THIS REQUEST

- (1) Presentation

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

None



2025 Police Department Vehicle Authorization Commission Briefing

Dan Alter, Facility, Fleet, Sys & Grounds
Andrew Depolo, Police Commander



Background



- Aviation Maintenance manages ~100 police fleet assets.
- Request aligns with capital planning, Fleet Sustainability Plan, and the Century Agenda.
- Purpose: Support operational needs, replace aging vehicles, and prepare for increased staffing.

Overview of Vehicle Needs

Total Vehicles Requested: 29

- 16 vehicles to replace end-of-life vehicles
- 13 vehicles to support new FTEs and the new HSU unit

Funding Scenarios:

- Alternative 1: 13 vehicles (fleet expansion only)
- Alternative 2: 16 vehicles (replacements only)
- Recommended: 29 vehicles, combines Alternative 1 and 2

Alternative 1 – Expand Fleet (13 Vehicles)

Cost: \$~1.67 million

Key Focus: Support growing FTEs, HSU unit, and Armored SUV

Pros

- Supports immediate operational growth
- Enables phased EV integration
Advances sustainability goals
- Preserves budget flexibility
- Reduces strain on existing fleet

Cons

- Delays replacing aging vehicles
- May not fully meet total staffing needs
- Lower immediate sustainability impact
- Future vehicle cost risks Potential task-equipment mismatch

Alternative 2 – Replace Fleet (16 Vehicles)

Cost: ~\$1.37 million

Key Focus: Replace aging vehicles

Pros

- Improves reliability and safety
- Reduces maintenance costs
- Advances sustainability through modern replacements
- Avoids service disruptions from breakdowns

Cons

- Does not support fleet growth
- Operational needs for HSU and FTEs remain unmet
- Limited EV deployment evaluation

Recommended: Budget Request for All 29 Vehicles

Total Vehicles Requested: 29

16 for critical end-of-life replacements

13 for immediate fleet expansion (new FTEs and HSU unit)

Estimated Total Cost: ~\$3.03 million

Combines replacement costs with estimated expansion needs to fully address operational requirements.

Recommended: Budget Request for All 29 Vehicles

Key Benefits of Full Acquisition:

- **Comprehensive Operational Support:** Meets both urgent replacement demands and supports critical growth.
- **Maximized Efficiency & Reliability:** Ensures the entire fleet is modern, safe, and reliable, reducing maintenance burdens.
- **Accelerated Sustainability Integration:** Provides the largest opportunity to transition to low- and zero-emission vehicles across the fleet.
- **Enhanced Officer Safety & Readiness:** Equips personnel with appropriate, up-to-date vehicles for all assignments.
- **Long-term Strategic Alignment:** Fully aligns with capital planning, fleet sustainability goals, and the Century Agenda.

Summary Comparison Table

Criteria	Alternative 1: Expand (13)	Alternative 2: Replace (16)	Recommended: All 29 Vehicles
Cost	\$~1.67M	\$~1.37M	\$3.03M
Fleet Growth Support	✓	✗	✓
Replaces Aged Vehicles	✗	✓	✓
Supports HSU and New FTEs	✓	✗	✓
Aligns with Sustainability Goals	Partial	Partial	Full
Operational Readiness	Moderate	High (for current fleet only)	Complete

Sustainable Fleet Strategy

Objective: Advance the Port's environmental goals by following Fleet Sustainability Plan through strategic vehicle procurement and fleet management.

Key Goals: Reduce greenhouse gas emissions from fleet operations. Increase the share of low- and zero-emission vehicles in the police fleet. Support Port-wide targets outlined in the Sustainable Fleet Plan and Century Agenda.

Current Request Includes: Up to 4 Electric Vehicles (EVs) to pilot EV integration and up to 22 Hybrid Vehicles to significantly reduce fuel use and idle emissions.

Benefits of a Sustainable Fleet Approach: Supports environmental stewardship and climate leadership. Reduces long-term fuel and maintenance costs. Enhances health and safety for officers and K9 units through modern vehicle features.



**COMMISSION
AGENDA MEMORANDUM**

Item No. 8j

ACTION ITEM

Date of Meeting August 12, 2025

DATE : August 4, 2025

TO: Stephen P. Metruck, Executive Director

FROM: Mark Leutwiler, Interim Director of Airport Operations
Eileen Francisco, Director of Aviation Project Management Group

SUBJECT: S. 160th St TNC Lot Improvements (CIP# 801186)

Amount of this request: \$1,100,000

Total estimated project cost: \$8,400,000

ACTION REQUESTED

Request Commission authorization for the Executive Director to take all steps necessary to complete the South 160th Street TNC Lot Improvement Project at Seattle-Tacoma International Airport (SEA). This request is an increase in the amount of \$1,100,000 for a total authorization of \$8,400,000.

EXECUTIVE SUMMARY

The Port-owned South 160th Street Ground Transportation (GT) holding lot is used by taxis and Transportation Network Companies (TNC) such as Uber and Lyft for vehicle staging. Previous authorizations supported the construction of permanent lighting systems, restrooms, security cameras, landscaping, and electrical infrastructure upgrades supporting the installation of ten electrical vehicle (EV) fast charging points. This work has been completed. The original project scope assumed a partnership with EVgo to supply and install the equipment and software, provide maintenance and operational support, and other general management tasks for the EV fast charging points. Both the electrical infrastructure upgrades and the EV fast charging points were partially funded by a Department of Commerce (DOC) grant.

After the grant was awarded, the Port and EVgo began lease negotiations. Ultimately the Port and EVgo could not reach agreement on the lease terms and the partnership with EVgo was terminated. To support the Commission’s Ground Transportation Policy Directive (Resolution no. 3759, adopted in July 2019), take advantage of the available grant funds, and complete the installation of the EV fast charging points the Port needs to change delivery methods instead of relying on a third-party partner. This authorization request supports the purchase and installation of EV equipment and software to complete the installation of the EV fast charging points by the Port.

Meeting Date: August 12, 2025

JUSTIFICATION

This project supports the following Century Agenda goals:

- To advance this region as a leading tourism destination and business gateway by meeting the region’s air transportation needs by delivering vital facilities and infrastructure in a sustainable and cost-effective manner.
- To be the greenest and most energy-efficient port in North America by reducing air pollutants and carbon emissions.
- To become a model for equity, diversity, and inclusion by increasing utilization of Women and Minority Business Enterprise (WMBE) and Disadvantage Business Enterprise (DBE) firms and eliminating disparity of access to opportunities.

Diversity in Contracting

The design of this project utilized an existing indefinite delivery indefinite quantity (IDIQ) contract that has a Women and Minority-Owned Business Enterprise (WMBE) commitment of fifteen (15) percent. The construction of this project included a WMBE commitment of ten (10) percent.

DETAILS

The Port has an agreement with the TNC partners to improve the operating conditions for drivers and support sustainability improvements between the parties. The EV chargers and permanent restrooms support this agreement, and equity goals and helps deliver sustainability improvements as documented in a December 10, 2020, letter from the Managing Director of Aviation to the TNC partners.

The project will install ten EV fast charging points utilizing a \$1.2 million DOC grant that partially funds the installation of the EV chargers and the required electrical infrastructure upgrades. The project team intends to utilize a Washington State Department of Enterprise Services contract to procure the EV chargers and software subscriptions, and to provide operational and maintenance support. The change in project scope and approach has been reviewed with DOC and they support the changes and will extend the grant funding through year-end 2025. Port Construction Services will also be utilized to provide some site improvements supporting the installation of the EV chargers.

Scope of Work

Most of the project improvements have been completed. Permanent lighting systems have been installed replacing the temporary diesel-powered temporary light plants. Four permanent restrooms and security cameras have been installed supporting TNC operations. Electrical infrastructure upgrades have been completed supporting the permanent lighting and the EV chargers. Landscaping improvements were completed in accordance with the Port’s landscaping standards. The remaining scope of work includes the installation of ten EV fast charging points and site improvements to support the installation.

Meeting Date: August 12, 2025

Schedule

Activity

Procure EV Chargers	2025 Quarter 3
Complete Site Improvements	2024 Quarter 4
Install and Activate EV Chargers	2024 Quarter 4
In-use date	2025 Quarter 4

Cost Breakdown

	This Request	Total Project
Design	\$0	\$1,417,000
Construction	\$1,100,000	\$6,983,000
Total	\$8,400,000	\$8,400,000

ALTERNATIVES AND IMPLICATIONS CONSIDERED

Alternative 1 – Do not install EV Chargers

Cost Implications: \$0

Pros:

- (1) No Additional Capital Investment

Cons:

- (1) Forfeits DOC \$1.2 million grant reimbursement
- (2) Does not support Commission Ground Transportation Policy Directive or Century Agenda goals

This is not the recommended alternative.

Alternative 2 – Purchase and install EV chargers from State contract and advertise and procure management agreement to support operations and maintenance needs

Cost Implications: \$1,100,000

Pros:

- (1) Aligns with Commission Ground Transportation Policy Directive and Century Agenda goals
- (2) Provides EV charger maintenance and management reducing Port oversight

Cons:

- (1) Requires additional capital investment
- (2) Forfeits DOC \$1.2 million grant reimbursement since the work cannot be completed by year-end 2025

This is not the recommended alternative.

Meeting Date: August 12, 2025

Alternative 3 – Purchase and install EV chargers and procure operational and maintenance support through the State contract

Cost Implications: \$1,100,000

Pros:

- (1) Aligns with Commission Ground Transportation Policy Directive and Century Agenda goals
- (2) Utilizes DOC \$1.2 million grant reimbursement

Cons:

- (1) Requires additional capital investment
- (2) Requires additional Port oversight to manage operational and maintenance contracts

This is the recommended alternative.

FINANCIAL IMPLICATIONS

Cost Estimate/Authorization Summary

	Capital	Expense	Total
COST ESTIMATE			
Original estimate	\$3,728,000	\$0	\$3,728,000
Previous changes	\$3,062,000	\$510,000	\$3,572,000
Current change	\$1,610,000	(\$510,000)	\$1,100,000
Revised estimate	\$8,400,000	\$0	\$8,400,000
AUTHORIZATION			
Previous authorizations	\$6,790,000	\$510,000	\$7,300,000
Current request for authorization	\$1,610,000	(\$510,000)	\$1,100,000
Total authorizations, including this request	\$8,400,000	\$0	\$8,400,000

Annual Budget Status and Source of Funds

This project (CIP #C801186) was included in the 2025-2029 capital budget and plan of finance with a budget of \$6,790,000. A capital budget increase of \$1,610,000 was transferred from the Non-Aeronautical Allowance (CIP #C800754) for a total revised capital budget of \$8,400,000 resulting in zero net change to the Aviation capital budget. The funding sources for this project will be grants, Airport Development Fund (ADF), and revenue bonds. The DOC grant will reimburse up to \$1,229,322.42 of the project costs.

Meeting Date: August 12, 2025

Financial Analysis and Summary

Project cost for analysis	\$8,400,000
Business Unit (BU)	Ground Transportation
Effect on business performance (NOI after depreciation)	NOI after depreciation will decrease
IRR/NPV (if relevant)	N/A – No additional revenues are anticipated from this investment.
CPE Impact	N/A

Future Revenues and Expenses (Total cost of ownership)

As a result of this project, we anticipate moderate impacts resulting in increased annual O&M costs. The new restrooms will add additional costs for custodial services and maintenance. The expanded landscaping will also result in a minor increase to landscape maintenance costs. The EV fast charging points will add additional costs for the maintenance and operational agreements and will require Port oversight to manage.

Ground transportation operators will pay a fee to use the ten EV fast charging points once installed. Port staff anticipate setting the fee at a competitive market rate and those revenues are anticipated to offset the cost of the EV fast charging points.

ATTACHMENTS TO THIS REQUEST

- (1) Presentation slides

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

September 28, 2021 – The Commission authorized \$1,417,000 supporting design and execution of utility agreements.

February 14, 2023 – The Commission authorized \$6,083,000 supporting the advertisement, award, and execution of a construction contract.

Item No.	8j_supp
Date of Meeting	August 12, 2025

S 160th Street Lot TNC Improvements Additional Project Authorization



Requested Action

Request Commission authorization for the Executive Director to take all steps necessary to complete the South 160th Street TNC Lot Improvement Project at Seattle-Tacoma International Airport (SEA). This request is an increase in the amount of \$1,100,000 for a total authorization of \$8,400,000.

Project Purpose

Purpose:

To minimize operational maintenance costs and encourage sustainable ground transportation services with installation of permanent lighting system and EV chargers.

Scope:

- Replacement of existing diesel-powered temporary light plants with permanent lighting systems
- Installation of ten EV chargers with associated electrical infrastructure upgrades
- Installation of four permanent restrooms for TNC operators
- Installation of security cameras for operational awareness
- Landscaping and irrigation improvements per Port standards

Project Location



Project Progress Photos

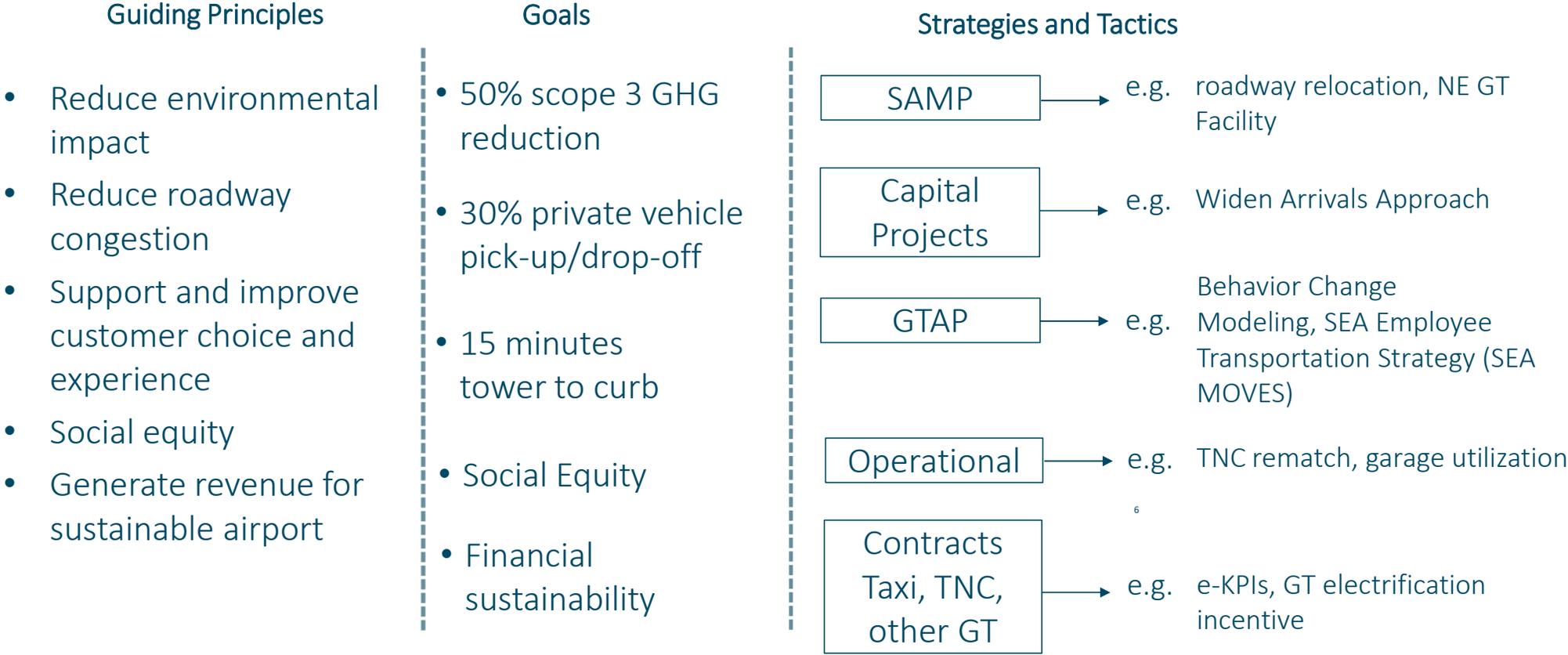


TNC Restrooms



Electrical Infrastructure

SEA's Ground Transportation Framework



Project Schedule

Completed Work:

- Installation of permanent restrooms (Q3 2024)
- Installation of permanent lighting (Q4 2024)
- Completion of landscape improvements (Q4 2024)
- Completion of electrical infrastructure upgrades (Q3 2025)

Remaining Work:

- Procure EV chargers Q3 2025
- Complete site improvements Q4 2025
- Install and activate EV chargers Q4 2025

Project Budget

Previous Budget: \$7,300,000

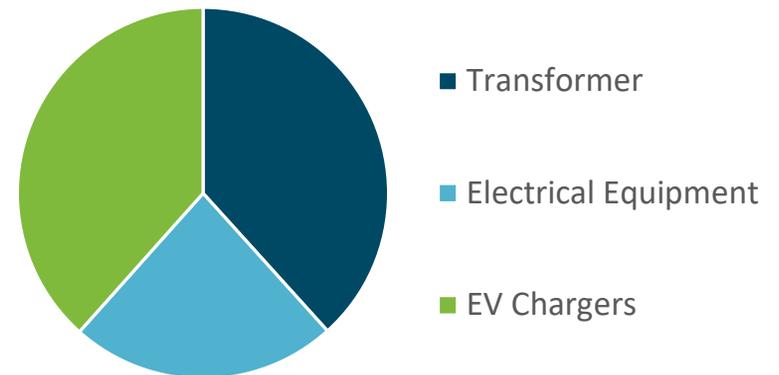
Revised Budget: \$8,400,000

Budget increase due to:

- Port purchase and installation of ten EV fast charging points
- Work previously assumed to be completed by third party partner

Department of Commerce Grant

- Reimbursement of up to \$1,229,322



Questions?





**COMMISSION
AGENDA MEMORANDUM**

Item No. 10a

ACTION ITEM

Date of Meeting August 12, 2025

DATE: August 5, 2025

TO: Stephen P. Metruck, Executive Director

FROM: Rut Perez Studer, Senior Manager Fishing Vessel Services
Mark Longridge Capital Project Manager, Waterfront Project Management

SUBJECT: Fishermen’s Terminal Northwest Dock (C800444) Design Authorization

Amount of this request: \$5,900,000

Total estimated project cost: \$50-70,000,000

ACTION REQUESTED

Request Commission funding authorization for the Executive Director to complete design and permitting to replace the existing Piers 1 & 2 of the Northwest Dock at Fishermen’s Terminal in the amount of \$5,900,000 for a total preliminary estimated project cost range of \$50-70 million. (CIP # C800444).

EXECUTIVE SUMMARY

This project will replace the north and south legs of both Piers 1 & 2 of the Northwest dock at Fishermen’s Terminal to ensure the long-term viability of the Port as the home to the North Pacific Fishing Fleet.

Piers 1 & 2 of the Northwest dock are the oldest part of the Port’s oldest facility, constructed in 1978 & 1979 respectively. At almost 50 years old they are at the end of their service life.

Planned redevelopment includes: Demolition of the four existing timber pile supported piers (approximately 25,000 square feet); replacing Pier 2 in kind and widening Pier 1 to allow for vehicle access to the moorage customers; upgrade of the existing timber fender system to steel to match other previously upgraded areas of the Northwest dock; upgraded electrical capacity and connection options to meet current code. The project scope assumes no berth dredging will be required to accommodate existing vessel classes.

JUSTIFICATION

The redevelopment of finger Piers 1 & 2 of the Northwest Dock supports the following Maritime Division goals toward achieving Century Agenda objectives:

Meeting Date: August 12, 2025

1. Continue to increase the economic value of the fishing and maritime cluster including the number of local jobs and business revenue.
2. Prioritize uses that support the commercial fishing industry, with a focus on anchoring the North Pacific fishing fleet in Seattle.
3. Supports the Port’s strategy to “be the greenest and most energy-efficient port in North America” by replacing existing creosote piling with more sustainable materials as well as modernizing our electrical capacity to modernize along with the fleet.
4. Supports anticipated growth in other maritime sectors and continue the unique multi-use facility within the Ship Canal.

Diversity in Contracting

The project team will coordinate with the Diversity in Contracting Department to determine appropriate WMBE aspirational goals for this project.

DETAILS

Piers 1 and 2 are the last remaining original timber sections of the Northwest dock. Built in 1978 and 1979 respectively, these piers have had minor repairs and upgrades throughout the years including bullrail replacements and electrical upgrades along with much of the rest of the terminal in 1999. While still functional, these almost 50-year-old piers are reaching the end of their service life and need to be replaced before any significant failures occur.

Scope of Work

The current authorization is for Port staff time and consultant contract work to complete the design, permitting, and project management up to the advertisement of the construction work.

The work to be designed includes the demolition of the existing north and south pier structures, including removal of existing creosote timber piles, installation of new structural piles and deck paneling, and associated utilities including vessel power and water services. The project will also replace the existing fender system for the piers and areas to the east on the Northwest dock with a steel system like that implemented on other parts of the Dock in 2010.

The narrower Pier 1 will be widened to accommodate vehicle traffic similar to the existing functionality of Pier 2, upgrading the usability of the facility for moorage customers. The project scope assumes no berth dredging will be required to accommodate existing vessel classes.

The proposed Fishermen’s Terminal Northwest Dock project is a Tier 2 project under the Sustainable Evaluation Framework Policy Directive. The project team will explore various design features to minimize impacts on the environment and will implement construction best management practices. The project team will present their evaluation and recommendations to the SEAC committee at the 30% design stage.

Meeting Date: August 12, 2025

Schedule

Schedule assumptions below reflect current expected durations for design and permitting; however, many of these durations are highly variable and controlled by local, state, and federal agencies, which adds schedule risk to the project.

The design effort should take approximately one year after consultant selection. Permitting for in-water work is currently the critical path on the schedule, estimated at 12-18 months after application once 30% design has been completed. This current schedule also assumes that the project will return to the Commission for Construction Authorization before all permits have been finalized to optimize the construction schedule.

The schedule assumptions below are conservative but reasonable. All in-water work associated with the work must be completed within the fish window from December 1 to April 15 of each construction season. This presents another constraint to the project that will need to be closely monitored.

Further, the work will need to be carefully planned to minimize the disruption to existing customer moorage and operations, likely using a phased approach over multiple construction seasons. Customer and staff feedback will be needed to refine the best construction phasing to minimize impacts to the active facility operations.

Activity

Commission design authorization	3 rd Quarter 2025
Design start	4 th Quarter 2025
Commission construction authorization	1 st Quarter 2027
Construction Start	3 rd Quarter 2027
In-use date	3 rd Quarter 2029

The current cost estimate reflects assumptions that the pier will be constructed in a conventional manner similar to past facilities and has used typical sections from these past designs to inform the estimate.

Cost Breakdown

	This Request	Total Project
Design, Permitting (total)	\$5,900,000	\$6,000,000
Construction	\$0	\$54,000,000
Total	\$5,900,000	\$60,000,000

Meeting Date: August 12, 2025

ALTERNATIVES AND IMPLICATIONS CONSIDERED

Alternative 1 – Maintain the status quo – Continue to use the timber piers in their current configuration and condition.

Cost Implications: This alternative carries some uncertainty and risk and accordingly much variability in cost potential. Maintenance costs for the piers are not currently high but would expand greatly if the piers were damaged or their condition deteriorated beyond a usable state or had to be significantly load restricted, for example.

Pros:

- (1) Lower initial capital cost.

Cons:

- (1) Risk to the structure if kept in use. Deterioration will continue.
- (2) The electrical system on the piers will remain ungrounded and not up to current code.
- (3) Design and permitting replacement piers if needed due to failure would take approximately 2 years during which time the damaged sections could be unusable.

This is not the recommended alternative.

Alternative 2 – Replace the existing timber piers with upgraded piers in the same general alignment and configuration as the current facility but allowing vehicle access to all berths and upgraded utility connections.

Cost Implications:

Pros:

- (1) Provides upgraded facility for tenant use.
- (2) Ensures full operation of the berth space for the North Pacific Fishing Fleet.

Cons:

- (1) Higher initial capital cost.

This is the recommended alternative.

FINANCIAL IMPLICATIONS

<i>Cost Estimate/Authorization Summary</i>	Capital	Expense	Total
COST ESTIMATE			
Original estimate	\$60,000,000	\$0	\$60,000,000
AUTHORIZATION			
Previous authorizations	\$100,000	\$0	\$100,000
Current request for authorization	\$5,900,000	\$0	\$5,900,000
Total authorizations, including this request	\$6,000,000	\$0	\$6,000,000

Meeting Date: August 12, 2025

Remaining amount to be authorized	\$54,000,000	\$0	\$54,000,000
-----------------------------------	--------------	-----	--------------

Annual Budget Status and Source of Funds

This project is included in the 2026 to 2030 CIP under C800444 Fishermen’s Terminal Northwest Dock Rehabilitation with a preliminary total project cost of \$60,000,000.

Financial Analysis and Summary

Project cost for analysis	\$60,000,000
Business Unit (BU)	Ship Canal Fishing & Ops
Effect on business performance (NOI after depreciation)	This project is an enhancement project to the Fishermen’s Terminal Operations; it won't create additional revenue.
IRR/NPV (if relevant)	NPV is the present value of the total project cost
CPE Impact	

Future Revenues and Expenses (Total cost of ownership)

Extending the service life of our existing assets delays replacement costs, enhancing the economic viability of our operations. Additional benefits include cost-effectiveness and minimal disruption to the terminal activities.

ATTACHMENTS TO THIS REQUEST

- (1) Presentation slides

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

None

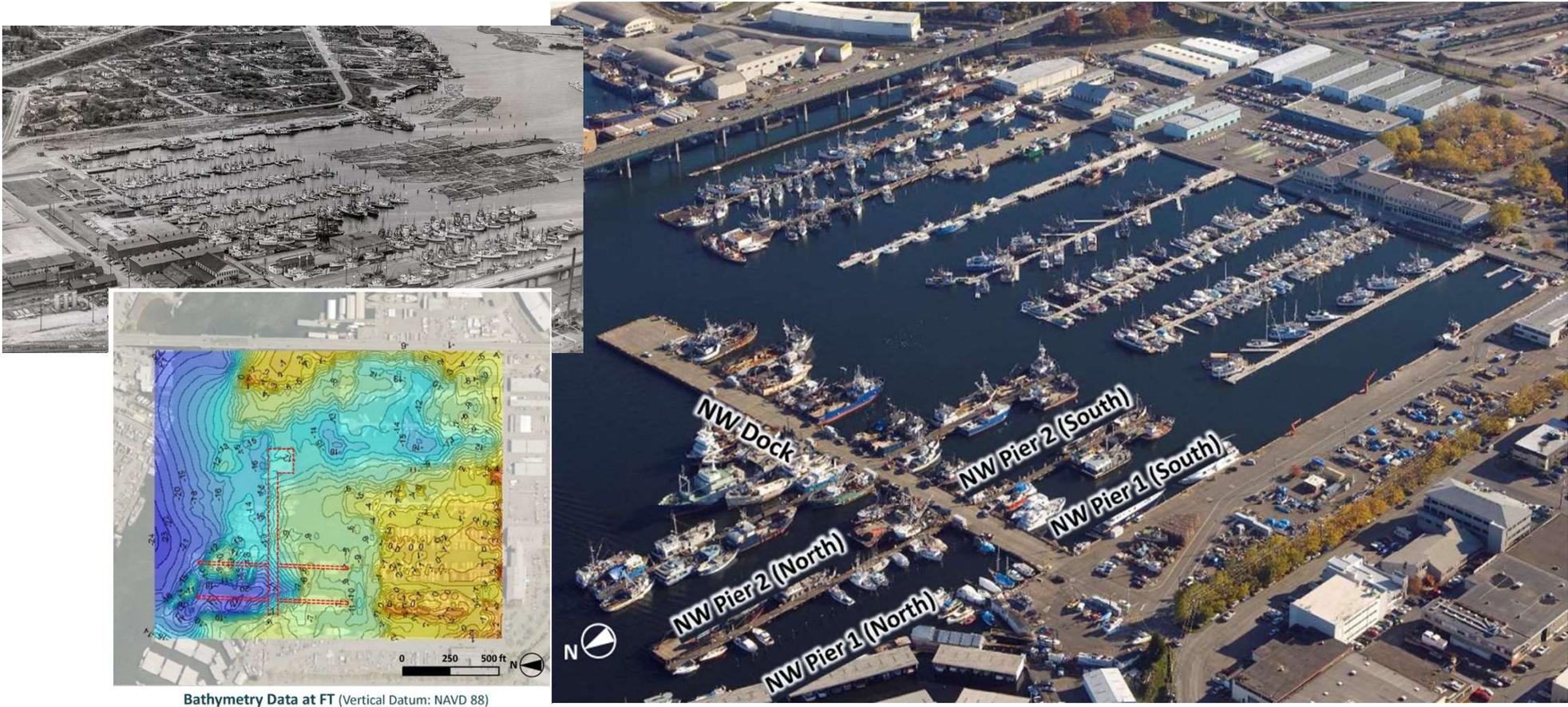
Item No.: 10a_supp
Meeting Date: August 12, 2025

Fishermen's Terminal Northwest Dock Rehabilitation

Delmas Whittaker – Chief Operating Officer, Maritime
Mark Longridge – Capital Project Manager



Project Location/Overview



Bathymetry Data at FT (Vertical Datum: NAVD 88)

Project Scope GP2



- Removal/Replacement of ~25,000sf of timber pile supported pier structure with longer span steel or concrete pile supported structure
- Additional fender replacement for remaining sections of the dock
- Utility upgrades including electrical, water, possible sewer pumpout, lighting
- Project is Tier 2 under the Sustainability Evaluation Framework and will consider stormwater treatment, lower embodied carbon materials, minimizing waste and life cycle cost analysis.

Slide 3

- GP1** Add SEF scope elements to be analyzed, either here or in a separate slide
Pla-Rucki, Genevieve, 2025-07-23T19:44:07.630
- ML1 0** Included as a separate bullet here
Longridge, Mark, 2025-07-24T20:53:38.647
- GP2** Need to add fenders. Let's show the outline of the new fender on the central pier section
Pla-Rucki, Genevieve, 2025-07-23T19:45:57.911
- ML2 0** Included as bullet and shown on map
Longridge, Mark, 2025-07-24T20:53:49.664

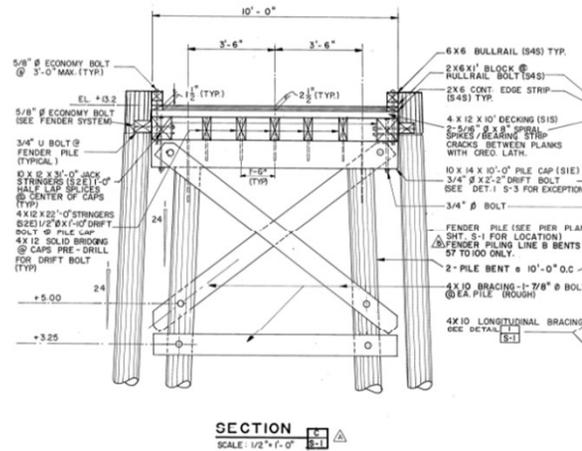
Current Layout / Sections



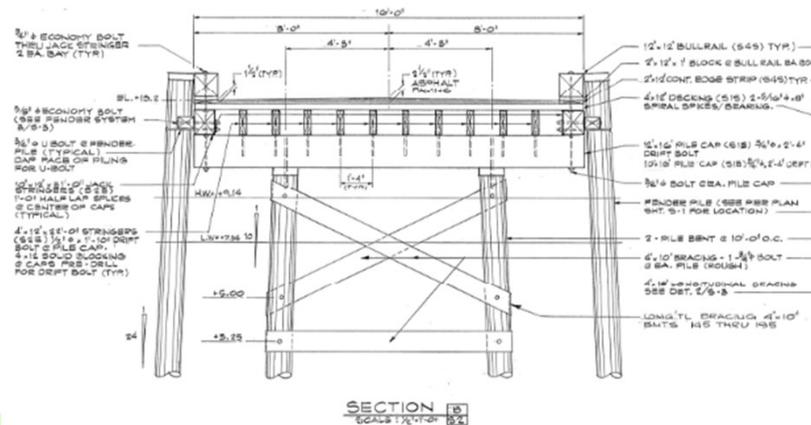
NW Pier1 South



NW Pier2 North



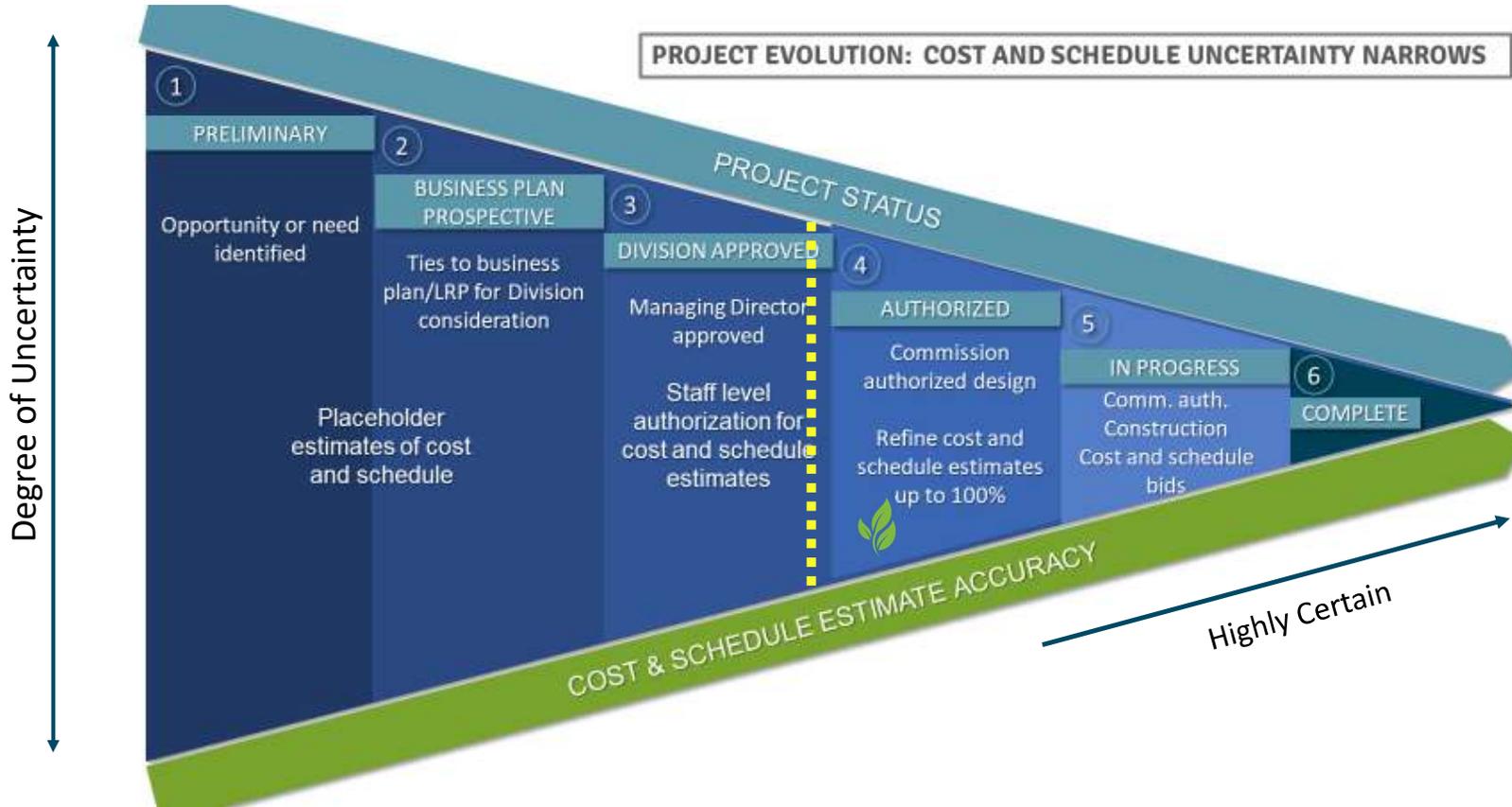
- Pier 1 built 1978
- Pier 2 extension built in 1979
- NW Dock extension (central concrete pile supported pier) built 1987
- Steel fender system installed on east end of dock 2010, which will be the model for this system



Current Condition



Capital Improvement Plan Status & Certainty



Project Risks

RISKS	DESCRIPTION	PROBABILITY	IMPACT	MITIGATION
Cost uncertainty for materials and equipment	Continuing uncertainty remains regarding the potential impacts of tariffs both to budget and schedule /availability	Med 	Med 	Include cost contingencies to account for potential tariff price impacts. Reflect current lead times in estimates
Electrical Scope Definition	Current piers are set up to accommodate a variety of legacy electrical connections (smaller recreational and larger commercial). Electrical scope will need clear definition on grounding deficiencies and while providing capacity/compatibility with future work on the rest of the NW dock	High 	Med 	Design refinement needs to include optimal connection spacing and capacity for current and anticipated future tenants
Coordination of work with ongoing operations at Fishermen's Terminal	Project needs to be completed in phases to ensure minimal disruption/displacement of existing tenant and customers to retain long term moorage with the NW pacific fishing fleet.	Med 	High 	Early involvement of operations and permitting staff, design team and moorage customers in planning the phasing of the work to minimize impacts
Permitting duration	Permitting assumptions are moderate and assumes a 12-18 month duration for review and approval. The fish window allowing in water work coincides with the return of moorage customers so will need to be carefully managed.	Low 	High 	Early permit submission, especially for in-water work will be critical to successful scheduling

Preliminary Schedule

Milestone	AP Feb 2025
Design Authorization	8/12/2025
Design Contract Executed	Q4 2025
30% Design Complete, SEAC Review  , Permit Applications	Q2 2026
Design & Permitting Complete	Q2 2027
Construction Authorization	Q1 2027
Advertise and Award Construction Contract	Q3 2027
Substantial Completion	Q3 2029 (Assumes 2 construction seasons)

Slide 8

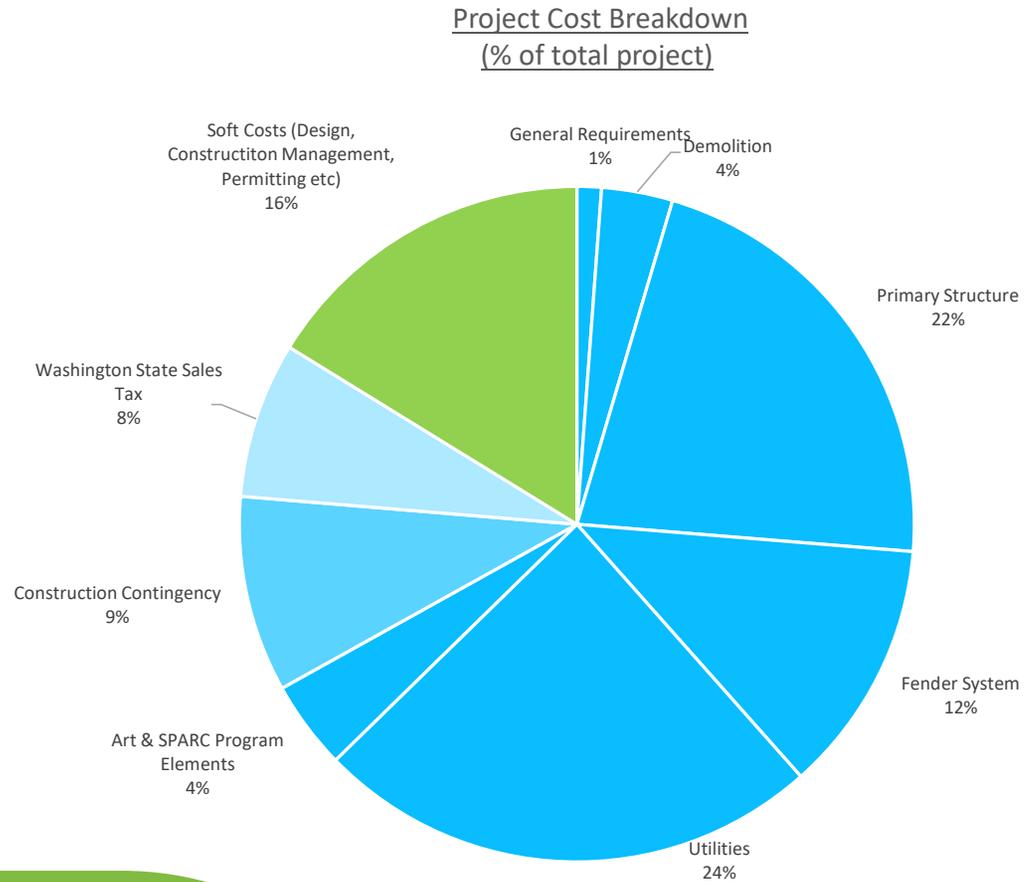
GP1 Need to add a Risks/Opportunities slide
Pla-Rucki, Genevieve, 2025-07-23T19:50:14.761

ML1 0 Added prior to this slide
Longridge, Mark, 2025-07-25T00:07:05.406

Preliminary Estimate

Total Estimated Project Cost: \$50-70M

Design & Permitting Request: \$5.9M



Questions?





**COMMISSION
AGENDA MEMORANDUM**

Item No. 11a

BRIEFING ITEM

Date of Meeting August 12, 2025

DATE: July 24, 2025
TO: Stephen P. Metruck, Executive Director
FROM: Elizabeth Morrison, Interim Chief Financial Officer
Michael Tong, Director, Corporate Budget
SUBJECT: Q2 2025 Financial Performance Briefing

EXECUTIVE SUMMARY

The purpose of this presentation is to provide a status report of the Q2 2025 financial performance results.

BACKGROUND

The Port's overall operating revenues for Q2 2025 were \$533.1 million, which is \$1.2 million above budget and \$39.2 million higher than the same period last year. Excluding Aeronautical revenues, which are based on cost recovery and revenue sharing formulas, other Airport Non-Aero revenues were \$158.5 million, \$110 thousand below budget mainly due to lower revenues from Airport Commercial Properties (\$2.7M), Public Parking (\$2.2M), ADR & Terminal Leased Space (\$725K), Ground Transportation (\$636K), and Employee Parking (\$633K); largely offset by higher revenues from International Place (\$4.9M), Clubs & Lounges (\$1.1M) and Rental Cars (\$949K).

Seaport revenues were \$2.7M over budget mainly due to higher NWSA Distributable Revenue (\$3.1M) and revenue from Grain (\$957K), partially offset by lower revenues from Maritime Portfolio Management (\$591K), Central Harbor Management (\$319K), and Conference & Event Center (\$190K).

Total operating expenses for the first half of 2025 were \$321.2 million, which is \$12.8 million below budget and \$32.1 million higher than 2024. The favorable budget variance was largely due to delay in Outside Services spending, Equipment Expense, and Travel & Other Employee Expenses; partially offset by higher payroll expenses.

Net operating income before depreciation was \$211.9 million, which is \$14.1 million above budget and \$7.1 million higher than the same period last year.

Meeting Date: August 12, 2025

The presentation outline is as follows:

1. Portwide Operating Results
2. Aviation Division Operating Results
3. Maritime Division Operating Results
4. Economic Development Division Operating Results
5. Central Services Operating Results

ATTACHMENTS TO THIS BRIEFING

- (1) Q2 2025 Financial and Performance Report
- (2) Presentation slides

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

None



Item Number: 11a_attach 1
Meeting Date: August 12, 2025

PORT OF SEATTLE

Q2 2025 FINANCIAL PERFORMANCE REPORT

AS OF JUNE 30, 2025

TABLE OF CONTENTS

	<u>PAGE</u>
I. Portwide Performance Report	3-7
II. Aviation Division Report	8-14
III. Maritime Division Report	15-19
IV. Economic Development Division Report	20-20
V. Central Services Division Report	21-25

I. PORTWIDE

EXECUTIVE SUMMARY

Airport passenger volume for the first half of the year was 1.6% higher than the same period in 2024. Passenger growth for 2025 is expected to be 0.9% higher compared to 2024 actual. Approximately 53.1M passengers are expected at Seattle-Tacoma International Airport (SEA) in 2025. Non-Aeronautical revenues are anticipated to be below budget by \$4.7M or 1.3% mainly due to lower revenues in Public Parking and Airport Dining & Retail. Aeronautical revenues (based on cost recovery formulas) are expected to be \$6.7M or 1.2% higher than budget mainly due to TSA Exit Lane staffing contract and higher payroll.

The 2025 cruise season will run from April through October with a projected 298 sailings and 1.9 million revenue passengers. For the first half of the year, Grain, Fishing, Commercial, and Recreational Marinas, Cruise revenues exceeded budget while Real Estate Portfolio Management revenues were down due to environmental cost credit and lower volumes at Conference and Event Centers

Total operating revenues were \$1.2M or 0.2% above budget while total operating expenses were \$12.8M or 3.8% lower than budget in the first half of 2025. Net operating income before depreciation was \$14.0M or 7.1% above budget.

For the full year, we are projecting operating revenues to be \$893K above budget mainly due to Aeronautical revenues, partially offset by lower revenues from Airport Non-Aero, Real Estate Portfolio Management and Conference & Event Centers. Operating expenses are expected to be \$11.2M above budget due to higher Payroll and Outside Services. The net operating income before depreciation is expected to be \$10.4M below budget.

PORTWIDE FINANCIAL SUMMARY

	2023 YTD	2024 YTD	2025 YTD	2025 YTD	Actual vs. Budget		Change from 2024	
	Actual	Actual	Actual	Budget	Variance	%	Incr (Decr)	%
\$ in 000's					\$	%	\$	%
Aeronautical Revenues	240,218	252,437	273,752	275,055	(1,303)	-0.5%	21,314	8.4%
Airport Non-Aero Revenues	145,446	158,483	170,758	170,868	(110)	-0.1%	12,275	7.7%
Seaport Revenues	76,356	82,984	88,589	85,936	2,653	3.1%	5,605	6.8%
Total Operating Revenues	462,020	493,904	533,099	531,858	1,240	0.2%	39,195	7.9%
Total Operating Expenses	264,352	289,103	321,204	334,022	12,818	3.8%	32,101	11.1%
NOI before Depreciation	197,668	204,801	211,895	197,837	14,059	7.1%	7,094	3.5%
Depreciation	124,427	130,832	142,924	133,135	(9,789)	-7.4%	12,092	9.2%
NOI after Depreciation	73,241	73,969	68,971	64,702	4,270	6.6%	(4,998)	-6.8%

2025 YTD Actuals vs. 2025 YTD Budget:

- Total Operating Revenues: \$1.2M higher than budget
- Total Operating Expenses: \$12.8M below budget mainly due to delay in Outside Services spending, less Equipment purchases, and Travel & Othe Employee expenses; partially offset by higher Payroll.
- NOI before Depreciation: \$14.0M above budget

2025 YTD Actuals vs. 2024 YTD Actuals:

- Total Operating Revenues were \$39.2M higher compared to 2024 mainly due to higher revenues in all lines of businesses, except Central Harbor Management and Public Parking
- Total Operating Expenses were \$32.1M higher compared to 2024 due to higher expenses in Payroll, Third Party Management, and Utilities

I. PORTWIDE FINANCIAL & PERFORMANCE REPORT 06/30/25

MAJOR OPERATING REVENUES SUMMARY

	2023 YTD	2024 YTD	2025 YTD	2025 YTD	Actual vs. Budget		Change from 2024	
	Actual	Actual	Actual	Budget	Variance	%	Incr (Decr)	%
\$ in 000's					\$	%	\$	%
Aeronautical Revenues	240,218	252,437	273,752	275,055	(1,303)	-0.5%	21,314	8.4%
Public Parking	52,391	59,047	58,728	60,903	(2,175)	-3.6%	(319)	-0.5%
Rental Cars - Operations	18,021	16,759	18,448	18,363	85	0.5%	1,689	10.1%
Rental Cars - Operating CFC	5,495	6,916	8,145	7,197	949	13.2%	1,230	17.8%
ADR & Terminal Leased Space	31,985	36,364	37,172	37,897	(725)	-1.9%	808	2.2%
Ground Transportation	11,750	11,853	11,784	12,419	(636)	-5.1%	(69)	-0.6%
Employee Parking	5,460	5,223	6,272	6,905	(633)	-9.2%	1,049	20.1%
Airport Commercial Properties	9,618	9,930	10,985	13,721	(2,736)	-19.9%	1,055	10.6%
International Place	-	-	4,891	-	4,891	0.0%	4,891	0.0%
Clubs and Lounges	5,436	6,753	8,859	7,709	1,150	14.9%	2,106	31.2%
Airport Utilities	4,194	4,513	5,287	5,419	(132)	-2.4%	774	17.2%
Cruise	15,437	19,027	19,994	19,732	262	1.3%	967	5.1%
Recreational Boating	7,751	8,321	9,130	9,099	30	0.3%	808	9.7%
Fishing & Operations	5,481	5,523	6,159	5,747	412	7.2%	637	11.5%
Grain	1,964	3,079	3,643	2,687	957	35.6%	564	18.3%
Maritime Portfolio Management	5,205	6,136	6,603	7,193	(591)	-8.2%	467	7.6%
Central Harbor Management	4,960	5,126	4,505	4,823	(319)	-6.6%	(621)	-12.1%
Conference & Event Centers	3,377	3,687	3,867	4,056	(190)	-4.7%	179	4.9%
NWSA Distributable Revenue	28,949	29,664	32,221	29,166	3,055	10.5%	2,557	8.6%
Other	4,329	3,545	2,653	3,766	(1,113)	-29.6%	(892)	-25.2%
Total Operating Revenues (w/o Aero)	221,802	241,467	259,347	256,804	2,543	1.0%	17,880	7.4%
TOTAL	462,020	493,904	533,099	531,858	1,240	0.2%	39,195	7.9%

MAJOR OPERATING EXPENSES SUMMARY

	2023 YTD	2024 YTD	2025 YTD	2025 YTD	Actual vs. Budget		Change from 2024	
	Actual	Actual	Actual	Budget	Variance	%	Incr (Decr)	%
\$ in 000's					\$	%	\$	%
Salaries & Benefits	90,131	103,497	118,613	114,318	(4,295)	-3.8%	15,116	14.6%
Wages & Benefits	79,333	88,341	98,903	92,138	(6,765)	-7.3%	10,562	12.0%
Payroll to Capital Projects	15,420	18,260	18,373	23,830	5,457	22.9%	113	0.6%
Outside Services	57,221	63,807	64,213	89,435	25,222	28.2%	406	0.6%
Utilities	15,541	17,162	18,235	19,062	827	4.3%	1,073	6.3%
Equipment Expense	5,508	4,852	4,367	7,738	3,371	43.6%	(485)	-10.0%
Supplies & Stock	5,617	5,686	6,204	5,190	(1,015)	-19.5%	518	9.1%
Travel & Other Employee Expenses	2,208	2,827	3,129	5,115	1,986	38.8%	302	10.7%
Third Party Mgmt Op Exp	5,485	6,110	9,669	8,865	(804)	-9.1%	3,559	58.3%
B&O Taxes	2,895	3,027	2,924	3,420	495	14.5%	(102)	-3.4%
Other Expenses	14,940	13,261	14,149	11,277	(2,871)	-25.5%	888	6.7%
Charges to Capital Projects/Overhead Alloc	(29,947)	(37,726)	(37,576)	(46,366)	(8,790)	19.0%	151	-0.4%
TOTAL	264,352	289,103	321,204	334,022	12,818	3.8%	32,101	11.1%

PORTWIDE FINANCIAL YEAR-END FORECAST SUMMARY

	2023	2024	2025	2025	Fcst vs. Budget Variance		Change from 2024 Incr (Decr)	
	Actual	Actual	Forecast	Budget	\$	%	\$	%
\$ in 000's								
Aeronautical Revenues	479,697	520,942	570,570	563,836	6,734	1.2%	49,629	9.5%
Airport Non-Aero Revenues	326,592	348,212	367,618	372,280	(4,662)	-1.3%	19,406	5.6%
Seaport Revenues	162,991	174,395	182,298	183,476	(1,179)	-0.6%	7,903	4.5%
Total Operating Revenues	969,281	1,043,549	1,120,486	1,119,593	893	0.1%	76,937	7.4%
Total Operating Expenses	550,899	652,642	689,531	678,288	(11,243)	-1.7%	36,890	5.7%
NOI before Depreciation	418,382	390,907	430,955	441,305	(10,350)	-2.3%	40,048	10.2%
Depreciation	256,740	277,917	267,028	267,028	-	0.0%	(10,889)	-3.9%
NOI after Depreciation	161,642	112,990	163,927	174,277	(10,350)	-5.9%	50,937	45.1%

Year-End Forecast

- Total Operating Revenues are expected to be \$893K above budget due to higher Aero Revenue; partially offset by lower Airport Non-Aero Revenues and Seaport RE Portfolio Management.
- Total Operating expenses are expected to be \$11.2M above budget mainly due to higher Payroll and Outside Services.
- Net Operating Income before Depreciation is forecasted to be \$10.4M below budget.

KEY PERFORMANCE METRICS

	2024	2025	2024	2025	2025	Fav (UnFav) Forecast vs. Budget		Incr (Decr) 2025 Forecast vs. 2024 Actual	
	YTD Actual	YTD Actual	Actual	Forecast	Budget	Chg.	%	Chg.	%
Total Passengers (in 000's)	24,497	24,884	52,641	53,122	53,474	(352)	-0.7%	481	0.9%
Landed Weight (lbs. in millions)	15,519	15,885	32,806	33,138	32,916	222	0.7%	332	1.0%
Passenger CPE (in \$)	N/A	N/A	18.14	19.85	19.43	0.4	2.2%	1.7	9.4%
Grain Volume (metric tons in 000's)	2,380	2,952	4,418	3,540	3,540	-	0.0%	(878)	-19.9%
Cruise Passenger (in 000's)	682	747	1,752	1,924	1,924	-	0.0%	172	9.8%
Shilshole Bay Marina Occupancy	98.0%	97.8%	98.1%	97.7%	97.7%	0.0%	0.0%	-0.4%	-0.4%

KEY BUSINESS EVENTS

The Port Commission approved \$1.9 million to support economic development partnerships with cities in King County for the next two years. This program provides matching grants based on a per capita formula for cities selected. The grants range from \$10,000 to \$60,000, and the cities must provide at least a 50% match. This funding will drive tourism and help support aviation, maritime, construction trades, and green jobs. This program provided \$804,052 to 27 cities across King County in 2024. Including city matches, over \$1.44 million was invested in economic development projects which included business assistance, tourism efforts, and buy local or placemaking campaigns.

The 2025 cruise season officially kicked off on April 12th with the arrival of the Norwegian Bliss. This year, all three of the Port's cruise berths are equipped with shore power making Seattle the only home port that has all its cruise berths shore power-enabled and can have three ships plugged into shore power simultaneously. The 2025 season runs from April to October with 298 sailings and a projected 1.9 million revenue passengers. Cruise sailing brings in nearly \$900 million in economic impact including tourism, provisioning, and jobs supported by cruise.

In collaboration with The Northwest Seaport Alliance (NWSA) and Seattle City Light (SCL), the Port released the Seattle Waterfront Clean Energy Strategy. The strategy provides technical, policy, and planning recommendations for how the Port and its partners should plan and build the infrastructure needed to support a zero-emission maritime transition by 2050. A total of \$208M to \$457 million (2024 dollars) in Port and utility investments have been identified through 2050. This includes an estimated \$69M to \$168 million in utility distribution system infrastructure costs and an estimated \$139M to \$288 million in Port on-site transformers, switchgear, and substation equipment costs. The Port will engage the public in the overall strategy and building of these projects into capital plans.

The Port released the 2024 Environment and Sustainability Report highlighting several notable firsts, such as becoming the first port to require power connections for cruise ships and removing per- and polyfluoroalkyl substances (PFAS) foam at Seattle-Tacoma International Airport (SEA). The Port also implemented waste reduction requirements at SEA, launched a pilot program to improve sound insulation in neighboring communities, and made considerable progress in the Duwamish River habitat restoration.

The Port announced the Fly Quiet Award winners for 2025: Air Canada, Frontier Airlines, and Air France. The 3 airline partners, which all operate out of SEA, exemplified the Port's environmental goals and desire to be a good neighbor to communities. Air Canada and Frontier Airlines received the best overall scores for operations, while Air France earned recognition for showing the most significant improvements. In 2002, the Port instituted The Fly Quiet Program as part of the Part 150 Study at SEA and the Fly Quiet Awards was added in 2005 to increase airline and pilot awareness of aircraft noise impacts on local communities.

SEA celebrated Alaska Airlines' first intercontinental flight to Tokyo. The daily connection, operated by Hawaiian Airlines, kicks off a new era of international wide-body flights for Alaska, with 12 destinations out of SEA planned to begin by 2030. Alaska Airlines also announced a new nonstop service to Italy starting next year. Additionally, SEA celebrated the return of Scandinavian Airlines (SAS) with the inaugural flight to Copenhagen, Denmark. For decades, SAS served SEA and the Pacific Northwest, starting in the 1960s. SAS' new route to Denmark is offered 5 times a week. Moreover, Edelweiss Air service added a new route from SEA to Zurich which is offered twice a week. With this new addition, SEA now offers 58 service options (on 30 different airlines) to 36 international destinations.

SEA added Checkpoint 1 located at the former site of Bag Claim 1. This new checkpoint adds five security lanes with spacious queueing, glass display cases with public art, and a choice for convenient gate access. The new Checkpoint 1 is part of the Upgrade SEA project, which includes \$5 billion in capital investment over the next five years.

CAPITAL SPENDING SUMMARY

\$ in 000's	2025	2025	2025	2025	Budget Variance	
	YTD Actual	Forecast	Budget	Plan of Finance	\$	%
Aviation	385,931	806,938	816,331	1,036,989	9,393	1.2%
Maritime	47,458	103,014	89,827	131,699	(13,187)	-14.7%
Central Services & Other (note 1)	5,719	15,931	21,488	34,591	5,557	25.9%
TOTAL	439,108	925,883	927,646	1,203,279	1,763	0.2%

Note:

(1) "Other" includes 100% Port legacy projects in the North Harbor and Storm Water Utility Small Capital projects.

Total capital spending is projected to be \$927.6M, 99.8% of the budget for the year.

PORTWIDE INVESTMENT PORTFOLIO

During the second quarter of 2025, the investment portfolio earned 3.56% versus the benchmark's (the Bank of America Merrill Lynch 1-3 Year US Treasury & Agency Index) of 3.79%. Over the last twelve months, the portfolio and the benchmark have earned 3.74% and 3.92%, respectively. Since the Port became its own Treasurer in 2002, the life-to-date earnings of the Port's portfolio and the benchmark are 2.44% and 2.04%, respectively.

II. AVIATION DIVISION FINANCIAL & PERFORMANCE REPORT 06/30/25

FINANCIAL SUMMARY

Financial Summary (\$ in 000's)	2023	2024	2025	2025	Forecast vs. Budget Variance		Incr/(Decr) Change from 2024	
	Actual	Actual	Forecast	Budget	\$	%	\$	%
Operating Revenue								
Aeronautical Revenues	479,697	520,942	570,570	563,836	6,734	1.2%	49,629	9.5%
Non-Aeronautical Revenues	326,592	348,212	367,618	372,280	(4,662)	-1.3%	19,406	5.6%
Total Operating Revenues	806,289	869,154	938,189	936,117	2,072	0.2%	69,035	7.9%
Total Operating Expenses w/o Pension True-Up	469,263	548,405	562,068	553,222	(8,846)	-1.6%	13,663	2.5%
Net Operating Income	360,598	339,326	376,121	382,895	(6,774)	-1.8%	36,794	10.8%
CPE	17.52	18.26	19.85	19.43	(0.42)	-2.2%	1.59	8.7%
Non-Aero NOI (\$ in 000s)	181,377	175,946	173,794	183,023	(9,229)	-5.0%	(2,152)	-1.2%
Enplaned passengers (in 000s)	25,371	26,295	26,472	26,737	(265)	-1.0%	177	0.7%
Capital Expenditures (in 000s)	444,072	684,442	806,938	816,331	9,393	1.2%	122,496	17.9%

2025 Forecast vs. 2025 Budget

- Total Operating Revenues are forecasted at \$938.2M, slightly above budget by \$2.1M (0.2%) primarily due to higher Aeronautical expenses.
 - Aeronautical Revenues are above budget by \$6.7M (-1.2%), driven by higher expenses. This includes \$3.5M for TSA Exit Lane staffing contract, increased payroll costs due to the compensation project and wages and benefits increases, and higher costs from Central Services.
 - Non-Aeronautical Revenues are below budget by (\$4.7M) (-1.3%) due to flat Parking revenue projected for 2025 following several years of strong growth. Additionally, Airport Dining & Retail revenue is growing slower than expected due to lower enplanements and the delayed opening of two tenants. The Employee Parking expansion program is progressing slower than planned. These shortfalls are partially offset by strong performance in Flight Kitchens, Rental Cars, and Port-owned Clubs. The International Place property (STOC) acquisition, which closed on February 28, also contributed positively by providing one additional month of revenue not anticipated in the budget.
- Total Operating Expenses are forecasted higher than budget by \$8.8M (-1.6%), primarily due to increased payroll costs, the TSA Exit Lane staffing contract, and higher costs from Central Services due to higher outside services and payroll costs in several departments.
- As a result, Net Operating Income is lower than budget by \$6.8M (-1.8%).
- Cost per Enplanement (CPE) is 2.2% higher than budget at \$19.85.
- Non-Aero NOI is 5% below budget due to higher expenses and lower revenues.
- Capital Expenditures are forecasted at \$807M, 1.2% below budget.

II. AVIATION DIVISION FINANCIAL & PERFORMANCE REPORT 06/30/25

A. BUSINESS EVENTS

- Passenger levels are 1.6% higher than YTD Q2 2024 at 24,884,468
- Scandinavian Airlines (SAS) service to Copenhagen, Denmark
- Edelweiss Air service to Zurich
- Implemented Signatory Lease & Operating Agreement (SLOA) V

B. KEY PERFORMANCE METRICS

	YTD 2023	YTD 2024	YTD 2025	% Change from 2024
Total Passengers (000's)				
Domestic	21,046	21,470	21,504	0.2%
International	2,694	3,027	3,380	11.7%
Total	23,740	24,497	24,884	1.6%
Operations	199,644	205,871	209,440	1.7%
Landed Weight (In Millions of lbs.)				
Cargo	1,321	1,395	1,240	-11.1%
All other	13,784	14,124	14,644	3.7%
Total	15,105	15,519	15,885	2.4%
Cargo - Metric Tons				
Domestic freight	147,135	174,322	146,307	-16.1%
International & Mail freight	52,589	51,727	59,402	14.8%
Total	199,724	226,049	205,709	-9.0%

Key Performance Measures

	2023	2024	2025	2025	Forecast vs. Budget Variance		Incr/(Decr) Change from 2024	
	Actual	Actual	Forecast	Budget	\$	%	\$	%
Key Performance Metrics								
Cost per Enplanement (CPE)	17.52	18.26	19.85	19.43	(0.42)	-2.2%	1.59	8.7%
Non-Aeronautical NOI (in 000's)	181,377	175,946	173,794	183,023	(9,229)	-5.0%	(2,152)	-1.2%
Other Performance Metrics								
O&M Cost per Enplanement	18.60	20.88	21.23	20.69	(0.54)	-2.6%	0.35	1.7%
Non-Aero Revenue per Enplanement	12.87	13.26	13.89	13.92	(0.04)	-0.3%	0.63	4.7%
Debt per Enplanement (in \$)	166	157	153	154	0	0.3%	(4)	-2.6%
Debt Service Coverage	2.02	1.89	1.82	1.84	(0.02)	-1.1%	(0.07)	-3.7%
Days cash on hand (18 months = 545 days)	507	512	545	517	28	5.4%	33	6.4%
Activity (in 000's)								
Enplanements	25,371	26,295	26,472	26,737	(265)	-1.0%	177	0.7%
Total Passengers	50,885	52,641	53,122	53,474	(352)	-0.7%	481	0.9%

Key Performance Metrics - 2025 Forecast vs. 2025 Budget

- Non-Aero NOI is 5% below budget due to higher expenses and lower revenues.
- Non-Aeronautical Revenues are below budget due to flat Parking revenue projected for 2025 following several years of strong growth. Additionally, Airport Dining & Retail revenue is growing slower than expected due to lower enplanements and the delayed opening of two tenants. The Employee Parking expansion program is progressing slower than planned. These shortfalls are partially offset by strong

II. AVIATION DIVISION FINANCIAL & PERFORMANCE REPORT 06/30/25

performance in Flight Kitchens, Rental Cars, and Port-owned Clubs. The International Place property (STOC) acquisition, which closed on February 28, also contributed positively by providing an additional month of revenue not anticipated in the budget.

- Total passenger forecast slightly decreased by -0.7%, with slightly lower costs and non-aero revenues per enplanement as well.

C. OPERATING RESULTS

Division Summary – YTD Actuals

Total Airport Expense Summary (\$ in 000's)	2023 YTD (Q2)	2024 YTD (Q2)	2025 YTD (Q2)	2025 YTD (Q2)	Actual vs. Budget Variance		Incr/(Decr) Change from 2024	
	Actual	Actual	Actual	Budget	\$	%	\$	%
Operating Expenses								
Payroll	92,502	102,225	117,688	112,680	(5,008)	-4.4%	15,462	15.1%
Outside Services	38,888	42,557	43,919	61,898	17,979	29.0%	1,361	3.2%
Utilities	11,437	13,220	13,570	14,662	1,092	7.4%	350	2.6%
Other Expenses	7,092	5,335	10,997	4,644	(6,353)	-136.8%	5,662	106.1%
Total Airport Direct Charges	149,919	163,338	186,174	193,884	7,711	4.0%	22,835	14.0%
Environmental Remediation Liability	6,377	1,308	1,609	1,589	(20)	-1.2%	301	23.0%
Capital to Expense	359	258	575	-	(575)		317	123.0%
Total Exceptions	6,737	1,566	2,184	1,589	(595)	-37.4%	618	39.5%
Total Airport Expenses	156,656	164,904	188,358	195,473	7,116	3.6%	23,453	14.2%
Corporate	42,814	48,749	53,251	54,609	1,358	2.5%	4,502	9.2%
Police	14,123	18,735	19,705	19,831	127	0.6%	970	5.2%
Maritime/Economic Development/Other	1,940	2,240	2,833	3,424	591	17.3%	593	26.5%
Total Charges from Other Divisions	58,877	69,724	75,789	77,864	2,075	2.7%	6,064	8.7%
Total Operating Expenses w/o Pension True-Up	215,532	234,629	264,146	273,338	9,191	3.4%	29,518	12.6%

2025 YTD Actuals vs. 2025 YTD Budget

Total Operating Expenses were **\$9.2M (3.4%) under budget**, primarily driven by the following:

- **Payroll variance of (\$5M):**
Salaries & Benefits are up by \$375K due to the Compensation Project. Wages & Benefits are higher by \$5.1M due to contractual increases, partially offset by lower charges to capital projects.
- **Outside Services underspent by \$18M:**
Driven by lower spending in professional & personal services, onsite consultants, and other contracted services.
- **Offsetting overages in Other Expenses of \$6.4M:**
Mainly due to lower charges to capital
- **Lower charges from Central Services by \$2.3M:**
Resulting from reduced spending in outside services, equipment expenses, and travel, partially offset by higher payroll and other costs.

II. AVIATION DIVISION FINANCIAL & PERFORMANCE REPORT 06/30/25

Total Airport Expense Summary (\$ in 000's)	2023	2024	2025	2025	Forecast vs. Budget Variance		Incr/(Decr) Change from 2024	
	Actual	Actual	Forecast	Budget	\$	%	\$	%
Operating Expenses								
Payroll	193,130	223,027	234,395	232,074	(2,321)	-1.0%	11,368	5.1%
Outside Services	87,364	104,086	117,577	125,654	8,077	6.4%	13,491	13.0%
Utilities	23,285	25,543	27,010	26,966	(44)	-0.2%	1,466	5.7%
Other Expenses	17,655	21,596	20,795	9,772	(11,023)	-112.8%	(801)	-3.7%
Total Airport Direct Charges	321,434	374,253	399,777	394,465	(5,312)	-1.3%	25,524	6.8%
Environmental Remediation Liability	13,017	2,600	2,399	1,589	(810)	-51.0%	(201)	-7.7%
Capital to Expense	480	553	377	-	(377)		(176)	-31.8%
Total Exceptions	13,497	3,153	2,776	1,589	(1,187)	-74.7%	(377)	-12.0%
Total Airport Expenses	334,931	377,406	402,553	396,054	(6,499)	-1.6%	25,147	6.7%
Corporate	95,740	125,262	114,442	111,534	(2,908)	-2.6%	(10,820)	-8.6%
Police	33,750	39,709	38,622	38,624	2	0.0%	(1,087)	-2.7%
Maritime/Economic Development/Other	4,840	6,028	6,450	7,009	558	8.0%	422	7.0%
Total Charges from Other Divisions	134,331	170,999	159,514	157,167	(2,347)	-1.5%	(11,485)	-6.7%
Total Operating Expenses w/o Pension True-Up	469,263	548,405	562,068	553,222	(8,846)	-1.6%	13,663	2.5%

2025 Forecast vs. 2025 YE Budget

Total Operating Expense is forecasted to be \$8.9M (1.6%) higher than Budget primarily due to higher payroll costs across the Port and TSA Exit Lane Staffing contract.

Aeronautical Business Unit Summary – YTD Actuals

Aeronautical NOI (\$ in 000's)	2023 YTD (Q2)	2024 YTD (Q2)	2025 YTD (Q2)	2025 YTD (Q2)	Actual vs. Budget Variance		Incr/(Decr) Change from 2024	
	Actual	Actual	Actual	Budget	\$	%	\$	%
Rate Base Revenues								
Airfield Movement Area	66,779	74,894	80,564	80,413	151	0.2%	5,670	7.6%
Airfield Apron Area	14,321	13,414	15,960	17,177	(1,218)	-7.1%	2,546	19.0%
Terminal Rents	133,174	134,447	140,124	140,343	(219)	-0.2%	5,677	4.2%
Federal Inspection Services (FIS)	17,345	19,948	24,042	24,042	(0)	0.0%	4,095	20.5%
Total Rate Base Revenues	231,618	242,702	260,690	261,975	(1,286)	-0.5%	17,987	7.4%
Airfield Commercial Area	8,600	9,735	13,062	13,079	(17)	-0.1%	3,327	34.2%
Total Aeronautical Revenues	240,218	252,437	273,752	275,055	(1,303)	-0.5%	21,314	8.4%
Total Aeronautical Expenses	151,356	162,767	180,612	184,420	3,807	2.1%	17,845	11.0%
Aeronautical NOI	88,862	89,670	93,139	90,635	2,504	2.8%	3,469	3.9%

Aeronautical – 2025 YTD Actuals vs. 2025 YTD Budget

Aeronautical Net Operating Income was \$2.5M (2.8%) higher than budget driven by lower YTD operating expenses in outside services and YTD charges from other divisions.

II. AVIATION DIVISION FINANCIAL & PERFORMANCE REPORT 06/30/25

Aeronautical Business Unit Summary - YE Forecast

Aeronautical NOI (\$ in 000's)	2023	2024	2025	2025	Forecast vs. Budget Variance		Incr/(Decr) Change from 2024	
	Actual	Actual	Forecast	Budget	\$	%	\$	%
Rate Base Revenues								
Airfield Movement Area	142,797	170,821	168,041	166,149	1,892	1.1%	(2,781)	-1.6%
Airfield Apron Area	26,118	32,270	35,931	35,432	499	1.4%	3,661	11.3%
Terminal Rents	251,892	279,722	289,814	286,307	3,507	1.2%	10,092	3.6%
Federal Inspection Services (FIS)	41,214	15,206	49,918	49,811	108	0.2%	34,712	228.3%
Total Rate Base Revenues	462,020	498,019	543,704	537,699	6,005	1.1%	45,685	9.2%
Airfield Commercial Area	17,677	22,922	26,866	26,137	729	2.8%	3,944	17.2%
Total Aeronautical Revenues	479,697	520,942	570,570	563,836	6,734	1.2%	49,629	9.5%
Total Aeronautical Expenses	308,162	367,736	378,447	373,174	(5,273)	-1.4%	10,711	2.9%
Aeronautical NOI	171,535	153,205	192,124	190,663	1,461	0.8%	38,918	25.4%
Debt Service	(144,395)	(157,518)	(178,887)	(179,527)	641	-0.4%	(21,369)	13.6%
Net Cash Flow	27,140	(4,312)	13,237	11,135	2,102	18.9%	17,549	-407.0%

Aeronautical – 2025 Forecast vs. 2025 Budget

Aeronautical Net Operating Income is expected to be \$1.5M (0.8%) higher than budget driven by higher operating expenses due to TSA Exit Lane contract and higher payroll and charges from Central Services.

Airline Rate Base Cost Drivers

Impact on Aero Revenues \$ in 000's	2025	2025	Budget vs Forecast	
	Budget	Forecast	\$	%
O&M ⁽¹⁾	360,905	365,993	5,088	1.4%
Debt Service Before Offsets	236,757	237,699	942	0.4%
Debt Service PFC Offset	(93,230)	(93,247)	(17)	0.0%
Net Debt Service	143,527	144,452	925	0.6%
Amortization	36,712	36,712	-	0.0%
Space Vacancy	(672)	(681)	(9)	1.3%
Grants and Other	(2,773)	(2,773)	-	0.0%
Rate Base Revenues	537,699	543,704	6,005	1%
Commercial area	26,137	26,866	729	3%
Total Aero Revenues	563,836	570,570	6,734	1%

(1) O&M, Debt Service Gross, and Amortization do not include commercial area costs or the international incentive expenses

2025 Forecast vs. 2025 Budget

Aeronautical Revenues are above budget by \$6.7M (-1.2%), primarily driven by higher expenses passed through to airlines. This includes \$3.5M for TSA Exit Lane staffing contract, increased payroll costs due to the compensation project and wages and benefits increases, and higher costs from Central Services.

II. AVIATION DIVISION FINANCIAL & PERFORMANCE REPORT 06/30/25

Non-Aero Business Unit Summary – YTD Actuals

Non-Aeronautical NOI (\$ in 000's)	2023 YTD	2024 YTD	2025 YTD	2025 YTD	Actual vs. Budget		Incr/(Decr)	
	(Q2)	(Q2)	(Q2)	(Q2)	Variance		Change from 2024	
	Actual	Actual	Actual	Budget	\$	%	\$	%
Non-Aeronautical Revenues								
Public Parking	52,391	59,047	58,728	60,903	(2,175)	-3.6%	(319)	-0.5%
Rental Cars	23,516	23,675	26,594	25,560	1,033	4.0%	2,919	12.3%
Ground Transportation	11,750	11,853	11,784	12,419	(636)	-5.1%	(69)	-0.6%
Airport Dining & Retail	27,200	32,670	33,031	34,234	(1,202)	-3.5%	362	1.1%
Other	30,589	31,238	40,622	37,752	2,870	7.6%	9,383	30.0%
Total Non-Aeronautical Revenues	145,446	158,483	170,758	170,868	(110)	-0.1%	12,275	7.7%
Total Non-Aeronautical Expenses	41,438	71,861	83,534	88,918	(5,384)	-6.1%	11,673	16.2%
Non-Aeronautical NOI	104,008	86,622	87,224	81,950	5,274	6.4%	603	0.7%

Non-Aeronautical Revenue – 2025 YTD Actuals vs. 2025 YTD Budget

- YTD Q2 Non-Aeronautical Revenues are below budget by (\$110K) due to lower Parking revenue and Airport Dining & Retail revenue growing slowly. These shortfalls are partially offset by strong performance in Flight Kitchens, Rental Cars, and Port-owned Clubs. The International Place property (STOC) acquisition, which closed on February 28, also contributed positively by providing one additional month of revenue not anticipated in the budget.

Non-Aero Business Unit Summary - YE Forecast

Non-Aeronautical NOI (\$ in 000's)	2023	2024	2025	2025	Forecast vs. Budget		Incr/(Decr)	
	Actual	Actual	Forecast	Budget	Variance		Change from 2024	
	Actual	Actual	Forecast	Budget	\$	%	\$	%
Non-Aeronautical Revenues								
Public Parking	110,990	116,626	116,057	119,634	(3,577)	-3.0%	(569)	-0.5%
Rental Cars	63,460	66,271	67,795	67,197	598	0.9%	1,524	2.3%
Ground Transportation	24,878	23,946	24,705	25,901	(1,196)	-4.6%	759	3.2%
Airport Dining & Retail	65,952	73,703	73,230	76,630	(3,401)	-4.4%	(474)	-0.6%
Other	61,312	67,666	85,832	82,919	2,913	3.5%	18,166	26.8%
Total Non-Aeronautical Revenues	326,592	348,212	367,618	372,280	(4,662)	-1.3%	19,406	5.6%
Total Non-Aeronautical Expenses	137,529	162,092	183,341	180,048	3,293	1.8%	21,249	13.1%
Non-Aeronautical NOI¹	189,063	186,121	184,277	192,232	(7,955)	-4.1%	(1,843)	-1.0%
Less: CFC Surplus	(7,686)	(10,174)	(10,483)	(9,210)	(1,274)	13.8%	(309)	3.0%
Adjusted Non-Aeronautical NOI	181,377	175,946	173,794	183,023	(9,229)	-5.0%	(2,152)	-1.2%
Debt Service	(27,096)	(43,887)	(34,511)	(34,633)	123	-0.4%	9,377	-21.4%
Net Cash Flow	154,281	132,059	139,283	148,389	(9,106)	-6.1%	7,224	5.5%

(1) Includes Federal Relief for Concessions

II. AVIATION DIVISION FINANCIAL & PERFORMANCE REPORT 06/30/25

Non-Aeronautical Revenue – 2025 Forecast vs. 2025 Budget

- Non-Aeronautical Revenues forecast is below budget by (\$4.7M) (-1.3%) due to flat Parking revenue projected for 2025 following several years of strong growth. Additionally, Airport Dining & Retail revenue is growing slower than expected due to lower enplanements and the delayed opening of two tenants. The Employee Parking expansion program is progressing slower than planned. These shortfalls are partially offset by strong performance in Flight Kitchens, Rental Cars, and Port-owned Clubs. The International Place property (STOC) acquisition, which closed on February 28, also contributed positively by providing one additional month of revenue not anticipated in the budget.
- Non-Aero Expenses are forecasted to be higher by \$3.3M, with NOI lower than budget by (-5.0%) or (\$9.2M).

D. CAPITAL RESULTS

\$ in 000's	2025	2025	2025	2025	Bud vs. Fcst	
	YTD Actual	Year-End Forecast	Budget	POF	\$	%
C Concourse Expansion ⁽¹⁾	45,784	129,189	141,052	142,789	11,863	8.4%
SEA Gateway ⁽²⁾	74,751	150,483	160,484	156,409	10,002	6.2%
Post IAF Airline Realignment ⁽³⁾	22,260	48,316	38,693	45,075	(9,623)	-24.9%
MT Low Voltage Sys Upgrade ⁽⁴⁾	7,927	16,724	23,746	26,600	7,022	29.6%
S Concourse Evolution ⁽⁵⁾	11,646	39,529	45,729	114,775	6,200	13.6%
2021-25 AFLD Pavement ⁽⁶⁾	7,007	32,299	37,083	45,430	4,784	12.9%
Building 161E Renovation ⁽⁷⁾	331	779	4,089	6,725	3,310	80.9%
Checkpoint 1 Relocation ⁽⁸⁾	7,886	9,636	12,925	10,195	3,289	25.4%
Upgrades STS Train Control ⁽⁹⁾	3,120	9,994	12,457	15,899	2,463	19.8%
Snow Storage Expansion ⁽¹⁰⁾	408	733	3,143	16,292	2,410	76.7%
All Other	204,811	402,940	427,108	623,755	24,168	5.7%
Subtotal	385,931	840,621	906,510	1,203,944	65,888	7.3%
CIP Cashflow Mgmt Reserve	-	(33,683)	(90,179)	(166,955)	(56,496)	62.6%
Total Spending	385,931	806,938	816,331	1,036,989	9,392	1.2%

1. Actuals costs were lower than projected for structural steel erection. Q2 2025 actual costs closely aligned with projected cost and the Contractor has achieved their planned production in June 2025.
2. Q2 '25 actual costs exceeded the projection by \$10M. It was assumed that 4 months of invoices would be paid, actual was 5 as contactor caught up to lag in billings. Port expects a \$13M invoice per month totaling \$150M per year (94%).
3. The bulk of project scope accelerated work in Q2, Q3 and Q4 2025 and include completion of PKG1 Enabling work, PKG3 Airline Relocation and PKG4 Zone 4 Ticket Counters. Mechanical Upgrades will continue through the end of 2026.
4. Anticipating significant savings; Mortenson provided forecast for baseline and anticipated billing for entire contract, currently projecting significant savings.
5. Lower spending is projected primarily due to slower submission and processing of payments for AECOM and the shifting of \$3M for capital purchases from 2025 to 2026.
6. Due to Quantity savings on 2024 Contract 1 unit price items and unused Construction contingency.
7. Design delays due to scope coordination with project stakeholders, which subsequently will push out the construction timeline, as well.
8. Some aspects of the scope of work got pushed into a different phase (later than expected).
9. STS ATC 2025 cashflow EAC vs 2026 B/L cashflow Alstom projected delay in delivery/receipt of Couple Retrofit kits planned for Aug '25 now Jan '26. STS Fiber project Contractual Closeout delayed.
10. Construction postponed to summer 2026 to avoid the rainy season.

III. MARITIME DIVISION FINANCIAL & PERFORMANCE REPORT 06/30/25

III. MARITIME DIVISION

FINANCIAL SUMMARY (Excludes Pension Adjustments)

	2023	2024	2025	2025	Actual vs. Budget		Change from 2024	
	Actual	Actual	Forecast	Budget	\$	%	\$	%
\$ in 000's								
Total Revenues	99,738	106,809	116,865	118,115	(1,250)	-1%	10,055	9%
Total Operating Expenses	93,596	101,991	105,473	103,748	(1,725)	-2%	3,482	3%
Net Operating Income	6,142	4,818	11,392	14,367	(2,975)	21%	6,573	136%
<i>NOI Including Pension Adj</i>	2,202	7,945	11,392	14,367	(4,700)	33%	3,446	43%
Capital Expenditures	26,246	84,842	103,014	89,827	(13,187)	-15%	18,172	21%

2025 Forecast vs. 2024 Budget

- Operating Revenues forecasted \$1.3M below budget primarily due to lower revenue from Real Estate Portfolio Management.
- Operating Expenses forecasted \$1.7M higher than budget from payroll.
- Net Operating Income forecasted \$3.0M below budget.
- Capital Spending forecasted at 115% of \$89.8M budget.

2025 Forecast vs. 2024 Actuals

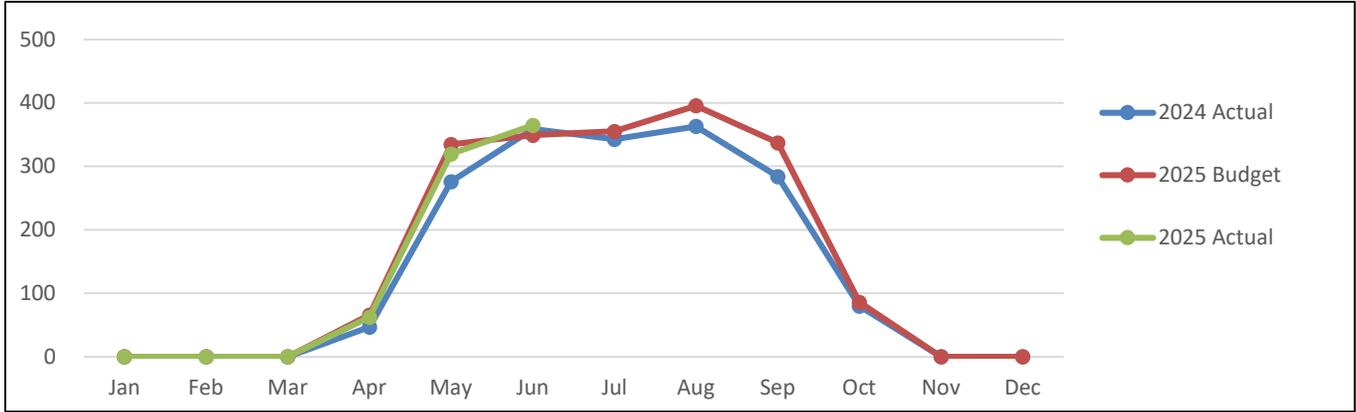
- Operating Revenues expected \$10.1M higher than 2024 from higher Cruise, Grain, Recreational Boating, and Fishing & Operation.
- Operating Expenses forecasted \$3.5M higher than 2024 actual driven primarily by increased payroll.
- Net Operating Income forecasted \$6.6M higher than 2024 actual.

Net Operating Income before Depreciation by Business

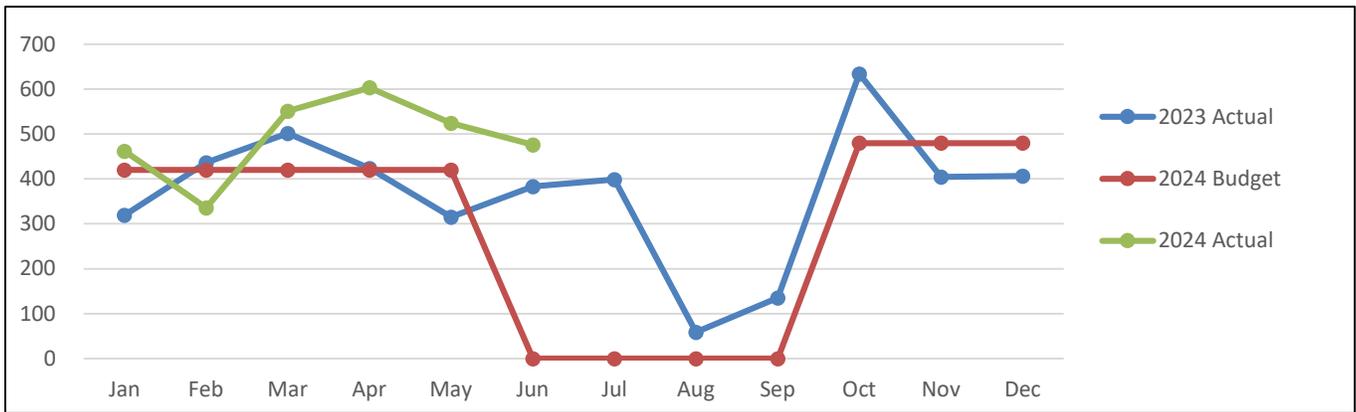
	2024 YTD	2025 YTD	2025 YTD	Actual vs. Budget		Change from 2024	
	Actual	Actual	Budget	\$	%	\$	%
\$ in 000's							
Ship Canal Fishing & Operations	(1,507)	(1,948)	(2,196)	248	11%	(442)	-29%
Elliott Bay Fishing & Commercial Operations	(843)	(1,310)	(682)	(628)	-92%	(467)	-55%
Recreational Boating	576	710	66	644	984%	134	23%
Cruise	9,428	9,144	7,522	1,622	22%	(284)	-3%
Grain	2,068	2,672	1,643	1,030	63%	604	29%
Conference & Event Centers	(1,742)	(2,619)	(2,624)	5	0%	(877)	-50%
Leasing Portfolio	(2,324)	(2,087)	(1,572)	(514)	-33%	237	10%
Other	(409)	(603)	(82)	(522)	-640%	(194)	-47%
Total Maritime	5,247	3,959	2,075	1,885	91%	(1,287)	-25%

A. KEY PERFORMANCE METRICS

Cruise Passengers in 000's



Grain Volumes in 000's



III. MARITIME DIVISION FINANCIAL & PERFORMANCE REPORT 06/30/25

B. OPERATING RESULTS

	2022 YTD	2023 YTD	2024 YTD	2025 YTD	2025 YTD	Actual vs. Budget		Change from 2024	
	Actual	Actual	Actual	Actual	Budget	\$	%	\$	%
\$ in 000's									
Ship Canal Fishing & Operations	2,328	2,651	2,650	3,027	2,799	228	8%	377	14%
Elliott Bay Fishing & Commercial Operations	2,638	2,829	2,872	3,132	2,948	184	6%	260	9%
Recreational Boating	6,914	7,751	8,321	9,130	9,099	30	0%	808	10%
Cruise	11,258	15,437	19,027	19,994	19,732	262	1%	967	-5%
Grain	3,405	1,964	3,079	3,643	2,687	957	36%	564	18%
Conference & Event Centers	2,538	3,377	3,687	3,867	4,056	(190)	-5%	179	5%
Leasing Portfolio	9,378	10,180	11,272	11,122	12,027	(905)	-8%	(150)	-1%
Other	7	19	6	(10)	0	(10)		(16)	-263%
Total Revenue	38,467	44,209	50,915	53,905	53,348	557	1%	2,990	6%
Expenses									
Maritime Direct	16,068	16,176	18,074	20,436	21,291	855	4%	2,362	13%
Total Direct	16,068	16,176	18,074	20,436	21,291	855	4%	2,362	13%
Maintenance Expenses	8,091	8,716	9,437	9,598	9,984	386	4%	161	2%
Economic Development	981	928	1,200	1,035	861	(174)	-20%	(165)	-14%
Env & Sustainability	827	1,563	1,609	1,443	2,117	674	32%	(167)	-10%
Seaport Finance & Cost Recovery	698	880	954	1,151	1,048	(103)	-10%	197	21%
Waterfront Project Management	526	996	807	1,742	1,484	(258)	-17%	935	116%
Total Support Services	11,124	13,082	14,006	14,968	15,495	526	3%	962	7%
IT	2,048	2,312	2,585	2,805	2,566	(239)	-9%	220	9%
Police Expenses	1,680	2,365	2,893	2,568	2,641	73	3%	(325)	-11%
External Relations	1,307	1,424	1,699	1,985	1,859	(126)	-7%	286	17%
Other Central Services	5,312	5,763	6,172	6,959	7,130	170	2%	787	13%
Aviation Division / Other	260	228	239	224	292	68	23%	(15)	-6%
Total Central Services / Other	10,607	12,092	13,588	14,541	14,488	(54)	0%	954	7%
Total Expense	37,799	41,350	45,668	49,946	51,273	1,328	3%	4,277	9%
NOI Before Depreciation	668	2,859	5,247	3,959	2,075	1,885	-91%	(1,287)	25%
Depreciation	10,853	11,183	11,132	12,033	10,855	(1,178)	-11%	902	8%
NOI After Depreciation	(10,185)	(8,324)	(5,885)	(8,074)	(8,781)	707	8%	(2,189)	-37%

2025 YTD Actuals vs. 2025 YTD Budget

- Operating Revenues were \$557K higher than budget driven by:
 - Ship Canal over \$228K from higher occupancy and Utility Sales.
 - Elliott Bay Fishing greater by \$184K due delayed start in the Hake fishery.
 - Recreational Boating \$30K higher from electric sales and Bell Harbor Marina.
 - Cruise \$262K higher with ~104% occupancy.
 - Grain \$957K higher.
 - Marina Office & Retail \$48K higher due to new tenants and annual rate escalation.
 - Maritime Industrial \$639K lower due to \$1.25M Environmental cost credits to Trammel Crow at T106.
 - Conference and Event Centers \$190K lower due to many non-repeating businesses as events were relocated outside of Seattle.
 - Central Harbor \$319K lower due to reduced reserved parking at Bell Garage.
- Operating Expenses were \$1.3M lower than budget:
 - Direct Expenses were \$855K lower than budget
 - Elliot Bay Fishing and Commercial \$73K over.
 - Recreational Boating is over budget \$54K from an \$198K increase related to cyber-attack.
 - Ship Canal Fishing \$213K over due to bad debt from cyber-attack.
 - Fishing & Operations Management \$58K under.
 - Cruise \$933K under from port valet timing and utilities.
 - Maritime Security is \$25K lower than budget.
 - Maritime Marketing \$206K below budget due to timing of marketing and advertising spend.
 - Maritime Industrial \$110K over budget from higher utilities.

III. MARITIME DIVISION FINANCIAL & PERFORMANCE REPORT 06/30/25

- Marina Office and Retail \$226K below budget from unspent TI/Broker Fees.
- Conference Event Centers \$255K below budget due to reduced business volume led to lower operating costs.
- Central Harbor \$117K below budget, lower occupancy at WTC West led to lower operating costs.
- Division Administration is over budget by \$59K over budget due primarily from FTE vacancy factor.
- Capital to Expense creating a \$178K unfavorable variance.
- Unbudgeted Environmental Liability at T91 berth \$6&8 for \$629K.
- All other Direct Expenses net to \$184K under budget.
- Total Support Services were \$526K lower than budget due primarily to timing of small works expense projects.
- Total Central Services / Other were \$54K over budget.
- Net Operating Income was \$1.3M favorable to budget.

2025 YTD Actuals vs. 2024 YTD Actuals

- Operating Revenues were \$3M higher than 2024 due to an increase in Grain volumes.
- Operating Expenses were \$4.3M higher than 2024 actual driven primarily by payroll increases.
- Net Operating Income was \$1.3M lower than 2024 actual.

	2022	2023	2024	2025	2025	Actual vs. Budget Variance		Change from 2024	
	Actual	Actual	Actual	Forecast	Budget	\$	%	\$	%
\$ in 000's									
Ship Canal Fishing & Operations	4,592	5,076	5,169	5,600	5,600	0	0%	431	8%
Elliott Bay Fishing & Commercial Operations	5,975	6,564	6,602	6,010	6,010	0	0%	(592)	-9%
Recreational Boating	13,978	15,505	16,555	18,273	18,273	0	0%	1,718	10%
Cruise	30,469	41,726	43,145	50,037	50,037	0	0%	6,893	16%
Grain	5,792	3,356	5,920	5,409	5,034	375	7%	(511)	-9%
Conference & Event Centers	8,914	6,738	7,490	8,776	9,151	(375)	-4%	1,286	17%
Leasing Portfolio	19,367	20,764	21,920	22,756	24,006	(1,250)	-5%	835	4%
Other	10	10	8	4	4	0	NA	(5)	-56%
<i>Pension Revenue Adjustment</i>	<i>170</i>	<i>(90)</i>	<i>(18)</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>NA</i>	<i>18</i>	<i>NA</i>
Total Revenue	89,265	99,648	106,791	116,865	118,115	(1,250)	-1%	10,073	9%
Expenses									
Maritime Direct	33,680	37,061	36,595	42,982	42,657	(325)	-1%	6,387	17%
Total Direct	33,680	37,061	36,595	42,982	42,657	(325)	-1%	6,387	17%
Maintenance Expenses	17,021	19,317	20,832	19,981	19,581	(400)	-2%	(851)	-4%
Economic Development	1,830	2,543	2,202	2,133	2,133	0	0%	(69)	-3%
Env & Sustainability	3,356	4,028	4,992	5,336	5,136	(200)	-4%	344	7%
Seaport Finance & Cost Recovery	1,506	1,738	2,222	2,233	2,083	(150)	-7%	11	1%
Waterfront Project Management	1,235	2,313	2,945	3,210	3,060	(150)	-5%	265	9%
Total Support Services	24,948	29,939	33,193	32,893	31,993	(900)	-3%	(300)	-1%
IT	4,296	4,731	5,250	5,758	5,235	(523)	-10%	508	10%
Police Expenses	3,902	5,620	6,044	5,145	5,145	0	0%	(898)	-15%
External Relations	2,729	3,005	3,620	3,375	3,664	289	8%	(245)	-7%
Other Central Services	11,530	12,769	16,852	14,787	14,521	(266)	-2%	(2,066)	-12%
Aviation Division / Other	514	471	436	533	533	0	0%	97	22%
Total Central Services / Other	22,972	26,596	32,202	29,598	29,098	(500)	-2%	(2,605)	-8%
Total Expense before Pension Adjustment	81,600	93,596	101,991	105,473	103,748	(1,725)	-2%	3,482	3%
<i>Pension Expense Adjustment</i>	<i>(2,561)</i>	<i>3,850</i>	<i>(3,145)</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>NA</i>	<i>3,145</i>	
Total Expense	79,039	97,446	98,846	105,473	103,748	(1,725)	-2%	6,627	7%
<i>NOI excluding Pension Adjustments</i>	<i>7,495</i>	<i>6,142</i>	<i>4,818</i>	<i>11,392</i>	<i>14,367</i>	<i>(2,975)</i>	<i>-21%</i>	<i>6,573</i>	<i>136%</i>
NOI Before Depreciation	10,226	2,202	7,945	11,392	14,367	(2,975)	-21%	3,446	43%
Depreciation	21,974	22,421	23,850	21,433	21,433	0	0%	(2,417)	-10%
NOI After Depreciation	(11,748)	(20,219)	(15,905)	(10,042)	(7,067)	(2,975)	-42%	5,863	37%

III. MARITIME DIVISION FINANCIAL & PERFORMANCE REPORT 06/30/25

2025 Forecast vs. 2025 Budget

- Operating Revenues are forecasted to be \$1.25M lower than budget:
 - Conference Centers down \$375K from fewer events.
 - Grain \$375K up from volumes.
 - Five months of \$250K environmental cost credit at T106 ground lease unbudgeted (\$1.25M).
- Operating Expenses forecasted \$1.7M above budget from payroll and unbudgeted project expenses.
- Net Operating Income Planned \$3M unfavorable to budget.

2025 Forecast vs. 2024 Actuals (Excludes Pension Adjustment)

- Operating Revenues expected to be \$10M higher than 2024 with higher conference & event volumes and rate increases in Cruise and Rec Boating.
- Operating Expenses forecasted \$3.5M higher than 2024 actual driven primarily by increased represented and non-represented wage rates.
- Net Operating Income (absent pension costs) is forecasted \$6.6M higher than 2024 actual.

C. CAPITAL RESULTS

	2025 Actual	2025 YE Forecast	2025 Budget	2025 POF	Budget vs Forecast	
					\$	%
\$ in 000's						
T91 Berth 6 & 8 Redev	26,266	53,863	45,903	59,766	7,960	17%
FT Maritime Innovation Center	6,410	16,740	16,832	22,675	(92)	-1%
MIC Electrical Replacements	1,736	3,678	3,678	9,640	0	0%
T91 New Cruise Gangway	985	3,235	3,220	6,402	15	0%
Bell St Parking Garage Imrov	406	1,906	2,115	2,658	(209)	-10%
P90/P91 E Term Emerg Repair	1,978	2,043	1,899	0	144	8%
FT Site Improvements	272	1,920	1,860	1,432	60	3%
Elliott Bay Connections (EBC)	14	956	1,145	1,145	(189)	-17%
P66 Fender Replacement	1,615	1,635	1,055	3,070	580	55%
Waterfront LED Lighting	30	605	1,021	650	(416)	-41%
Fleet	888	3,701	3,660	3,800	41	1%
All Other Projects	6,858	22,343	23,251	52,636	(908)	-4%
Subtotal	47,458	112,625	105,639	163,874	6,986	7%
CIP CashFlow Mgt	0	(9,611)	(15,812)	(32,175)	6,201	-39.2%
Total Maritime	47,458	103,014	89,827	131,699	13,187	15%
% of Capital Budget	53%	115%				

Note: POF (Plan of Finance) is the total estimated during the budget process.

Comments on Key Projects with Significant Variances

- **T91 Berth 6&8** – Increase in 2025 due to change orders related to seawall/other unexpected site conditions. Assumed 50% use of contingency but now closer to 80%.
- **Waterfront LED Lighting** – Common space projects underway, but tenant space projects delayed for additional development.
- **P66 Fender Replacement** – Project is on schedule and budget. Additional costs reflect the inclusion of a barge impact assessment.
- **All Other Projects** – MD Video Camera Project procurement of HW pushed out to 2026, engagement with PCS slower than anticipated.

IV. ECONOMIC DEVELOPMENT DIVISION FINANCIAL & PERFORMANCE REPORT 06/30/25

IV. ECONOMIC DEVELOPMENT DIVISION

FINANCIAL SUMMARY

	2023	2024	2025	2025	Actual vs. Budget		Change from 2024	
	Actual	Actual	Forecast	Budget	Variance		\$	%
\$ in 000's					\$	%	\$	%
Total Revenues	(24)	8	13	3	10	333%	5	61%
Total Operating Expenses	3,351	2,951	3,800	3,890	90	2%	849	29%
Net Operating Income	(3,375)	(2,943)	(3,787)	(3,887)	100	3%	(844)	-29%
<i>NOI Including Pension Adj</i>	<i>(2,408)</i>	<i>(2,121)</i>	<i>(3,787)</i>	<i>(3,887)</i>	<i>190</i>	<i>5%</i>	<i>(1,665)</i>	<i>79%</i>

2025 Forecast vs. 2025 Budget

- Net Operating Income forecasted at \$100K above budget, due to unbudgeted GASB 87 adjustments.

2025 Forecast vs. 2024 Actuals

- Net Operating Income forecasted \$844K lower than 2024 actual from increased payroll and cycle timing for Economic Development and Tourism grants moving from a 1yr to a 2yr cycle.

a. OPERATING RESULTS

	2022 YTD	2023 YTD	2024 YTD	2025 YTD	2025 YTD	Actual vs. Budget		Change from 2024	
	Actual	Actual	Actual	Actual	Budget	Variance		\$	%
\$ in 000's						\$	%	\$	%
Misc Revenue	1	8	9	11	2	9	NA	2	21%
<i>Pension Revenue Adjustment</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>NA</i>	<i>0</i>	<i>NA</i>
Total Revenue	1	8	9	11	2	9	601%	2	21%
Expenses									
Division Admin	(1)	184	66	36	340	303	89%	(30)	-46%
Re Dev & Planning	(0)	0	0	0	0	0	100%	0	
Small Business	0	0	0	0	25	25	100%	(0)	-34%
Tourism	1,099	524	558	757	837	79	9%	200	36%
Total EDD	1,098	707	624	793	1,201	408	34%	170	27%
Maritime / Maintenance	14	10	11	19	12	(7)	-61%	8	77%
Central Services / IT	11	14	14	14	16	2	13%	0	2%
Total Support Services	25	24	25	33	28	(5)	-18%	9	35%
Total Expense	1,124	731	648	827	1,229	403	33%	178	27%
NOI Before Depreciation	(1,122)	(723)	(640)	(816)	(1,228)	412	34%	(176)	-28%
Depreciation	5	6	5	7	5	(2)	-34%	2	40%
NOI After Depreciation	(1,128)	(729)	(645)	(823)	(1,233)	410	33%	(178)	-28%

2025YTD Actuals vs. 2025 YTD Budget

- Operating Revenues were \$9K favorable from higher-than-expected rental income at the Duwamish Hub.
- Operating Expenses were \$403K below budget due to GASB 87 impact at Duwamish Hub and timing of outside services spending.
- Operating income \$412K higher than budget.

V. CENTRAL SERVICES DIVISION

FINANCIAL SUMMARY

	2023 YTD	2024 YTD	2025 YTD	2025 YTD	Actual vs. Budget		Change from 2024	
	Actual	Actual	Actual	Budget	Variance		Incr (Decr)	
\$ in 000's					\$	%	\$	%
Total Operating Revenues	290	145	119	53	66	123.9%	(25)	-17.6%
Core Central Support Services	51,219	59,083	62,009	61,799	(211)	-0.3%	2,926	5.0%
Police	17,323	22,275	23,145	23,551	406	1.7%	870	3.9%
Engineering/PCS	6,383	6,607	8,687	11,471	2,784	24.3%	2,080	31.5%
Total Operating Expenses	74,925	87,964	93,841	96,820	2,979	3.1%	5,877	6.7%

2025 YTD Actuals vs. 2025 YTD Budget

- Operating Revenues favorable by \$56K due primarily to Police forfeiture.
- Operating Expenses \$3M favorable to budget mainly due to Lower Outside Services, Equipment Expense, and Travel; partially offset by higher Payroll, lower charges to Capital Projects, and higher General Expenses.

2025 YTD Actuals vs. 2024 YTD Actuals

- Operating Revenues \$25K below 2024 mainly due to lower Police forfeiture.
- Operating Expenses \$5.9M higher than 2024 mainly due to higher Payroll, Travel & Other Employee Expenses, Supplies & Stock, Equipment Expense, and General Expenses in 2025; partially offset by less spending in Outside Services and Promotional Hosting.

A. BUSINESS EVENTS

- Sponsored and participated in the 2025 South King County Career Showcase, connecting over 2,200 students with career opportunities, training programs, and internships in Port-related industries.
- Hosted the Port of Seattle’s Duwamish Valley Community Partner Roundtable on Federal Changes and Local Preparedness.
- Hosted several government, business and industry tours of SEA in support of SAMP.
- Sponsored and attended the Seattle Chamber’s Intercity Study Tour to Toronto.
- Participated in a DHS audit on aviation cybersecurity compliance, sharing insights on its cybersecurity investments to support operational security.
- Conducted student outreach through various events, including career days, school tours, project kick-offs, and presentations with middle school, high school, and college students across the region.
- Sponsored strategic partner, business and community events including: The Propeller Club, Redmond’s State of the City Address, Woodinville Chamber State of Economy Luncheon, FOGHI Environment and Cultural Educational Tours, Snoqualmie State of the City, Highline Schools Foundation Gold Star Breakfast, Maritime Industry Awards Breakfast, West Seattle Chamber’s Annual Awards breakfast, Woodinville’s Economic Development Luncheon, Friends of the Waterfront 5K Run, Issaquah Community Awards Banquet, Bellevue Chamber Annual Gala, Prop Club Scholarship Lunch, Highline Heritage Museum 6th Anniversary Celebration, DVDEP 5th Anniversary Community Celebration, South Seattle Leadership Conference.

V. CENTRAL SERVICES DIVISION FINANCIAL & PERFORMANCE REPORT 06/30/25

B. KEY PERFORMANCE METRICS

Century Agenda Strategic Objectives	2023	2024	2025
Responsibly Invest in the Economic Growth of the Region and all its Communities			
A. Job seekers placed in jobs at SEA Airport through the Employment Center	1,594	1,202	387
B. Number of SEA Airport tenants supported in finding employees	93	111	118
C. Employment Center training completions	1,012	867	246
D. K-12 Career Connected Learning: WFD engagement with teachers/faculty	12	21	8
E. Community members entering employment in construction, maritime and environmental sustainability	70	96	14
F. Number of Job Openings Posted	336	285	153
G. Job applications received	18,830	17,753	11,583
H. Number of job interviews conducted	2,333	1,893	1,271
I. Number of new employees hired	495	405	181
J. Number of interns	133	123	105
K. Number of Veteran Fellows	5	3	5
L. Number of employees participating in Tuition Reimbursement	15	22	11
Become a Model for Equity, Diversity and Inclusion			
A. Employee participation in OEDI programming (Caucuses, Book Clubs, Town Halls, etc.)	2,907	3,368	1,415
Be a Highly Effective Public Agency			
A. Central Services costs as a % of Total Operating Expenses	27.0%	30.9%	28.5%
B. Investment portfolio earnings versus the benchmark (the Bank of America Merrill Lynch 1-3 Year US Treasury & Agency Index)	3.70%/4.34%	3.82%/4.37%	3.56%/3.79%
C. Comply with Public Disclosure Act and respond in a timely manner	1,204	1,339	827
D. Employee Development Class Attendees/Structured Learning	3,289	2,286	1,893
E. Total Recordable Incident Rate (previous Occupational Injury Rate)	4.16	3.11	3.92
F. Lost Work Day Rate (previously Days Away Severity Rate)	72.41	57.45	73.37
G. Customer Survey for Police Service Excellent or Above Average	90%	TBD	TBD

V. CENTRAL SERVICES DIVISION FINANCIAL & PERFORMANCE REPORT 06/30/25

C. OPERATING RESULTS

Financial Summary (Year-End Forecast)

	2023	2024	2025	2025	Fcst vs. Budget Variance		Change from 2024	
	Actual	Actual	Forecast	Budget	\$	%	\$	%
\$ in 000's								
Total Revenues	(216)	403	244	183	61	33.5%	(158)	-39.3%
Executive	3,147	6,025	3,325	2,779	(546)	-19.7%	(2,700)	-44.8%
Commission	2,448	3,042	3,465	3,589	124	3.4%	423	13.9%
Legal	10,315	10,312	7,704	6,255	(1,449)	-23.2%	(2,608)	-25.3%
External Relations	10,154	14,379	13,384	14,211	827	5.8%	(995)	-6.9%
Equity Diversity and Inclusion	5,475	6,449	7,010	7,435	425	5.7%	561	8.7%
Human Resources	13,543	16,099	17,780	17,817	36	0.2%	1,681	10.4%
Labor Relations	1,292	1,541	1,764	1,933	169	8.7%	223	14.5%
Internal Audit	1,944	1,935	2,294	2,267	(27)	-1.2%	358	18.5%
Accounting & Financial Reporting Services	9,032	10,003	11,842	12,059	217	1.8%	1,839	18.4%
Information & Communication Technology	25,914	30,410	34,924	31,482	(3,443)	-10.9%	4,515	14.8%
Information Security	2,040	2,613	3,577	2,968	(609)	-20.5%	964	36.9%
Finance & Budget	2,602	3,075	3,303	3,179	(124)	-3.9%	228	7.4%
Business Intelligence	1,609	1,888	2,338	2,543	205	8.1%	450	23.8%
Risk Services	5,756	7,395	7,591	8,016	425	5.3%	196	2.6%
Office of Strategic Initiatives	1,291	1,125	1,545	1,557	13	0.8%	420	37.3%
Central Procurement Office	6,376	7,079	8,899	9,165	266	2.9%	1,821	25.7%
Contingency	(251)	21,534	(50)	(2,655)	(2,605)	98.1%	(21,584)	-100.2%
Environment & Sustainability	1,137	1,479	2,190	2,544	354	13.9%	711	48.1%
Core Central Support Services	103,823	146,382	132,884	127,143	(5,742)	-4.5%	(13,497)	-9.2%
Police	36,422	43,591	45,849	45,860	12	0.0%	2,258	5.2%
Total Before Cap Dev & Environment	140,245	189,972	178,733	173,003	(5,730)	-3.3%	(11,239)	-5.9%
Capital Development								
Engineering	6,263	8,581	12,750	15,131	2,381	15.7%	4,168	48.6%
Port Construction Services	5,644	7,063	7,586	7,777	191	2.4%	523	7.4%
Sub-Total	11,907	15,644	20,336	22,907	2,571	11.2%	4,692	30.0%
Industrial Development Corporation	1	-	-	-	-	0.0%	-	0.0%
Capital to Expense	-	499	-	-	-	0.0%	(499)	-100.0%
Total Expenses	152,153	206,115	199,069	195,910	(3,159)	-1.6%	(7,046)	-3.4%

2025 Forecast vs. 2025 Budget

Operating Expenses for 2025 are forecasted to be \$3.2M over Budget due primarily to:

- **Executive** – unfavorable variance of (\$546K) due to higher Promotional Expenses (\$398K), Outside Services (\$157K), Payroll (\$63K); partially offset by lower Travel & Other Employee Expenses of \$42K.
- **Commission** – favorable variance of \$124K primarily due to lower Payroll.
- **Legal** – unfavorable variance of (\$1.4M) due to higher Outside Services (\$1.2M), Payroll (\$247K), and less charges to Capital Projects (\$55K); partially offset by lower General Expenses \$30K.
- **External Relations** – favorable variance of \$827K primarily due to lower Outside Services of \$1.3M and General Expenses \$119K; partially offset by higher Payroll (\$344K) and Promotional Expenses (\$227K).
- **Equity, Diversity, and Inclusion** – favorable variance of \$425K primarily due to lower Outside Services of \$445K.
- **Human Resources** – favorable variance of \$36K primarily due to lower Payroll of \$175K, Travel & Other Employee Expenses \$59K; partially offset by higher General Expenses (\$198K) and Outside Service (\$25K).
- **Labor Relations** – favorable variance of \$169K primarily due to lower Payroll \$143K and Travel & Other Employee Expenses \$19K.
- **Internal Audit** – unfavorable variance of (\$27K) primarily due to higher Payroll(\$56K); partially offset by lower Travel & Other Employee Expenses \$33K.
- **Accounting and Financial Reporting Services** – favorable variance of \$217K primarily due to lower Payroll \$192K and Travel & Other Employee Expenses \$45K; partially offset by higher Outside Services (\$29K).
- **Information & Communication Technology** – unfavorable (\$3.4M) due to higher Payroll (\$1.3M), Outside Services (\$1.2M), and lower charges to Capital Projects (\$1.5M); partially offset by lower Equipment Expense \$492K and Travel & Other Employee Expenses \$30K.
- **Information Security** – unfavorable variance of (\$609K) primarily due to higher Outside Services (\$553K) and Payroll (\$47K).
- **Corporate Finance & Budget** – unfavorable variance of (\$124K) primarily due to higher Payroll (\$81K) and Outside Services (\$57K).
- **Business Intelligence** – favorable variance of \$205K primarily due to lower Outside Services \$179K.
- **Risk Services** – favorable variance of \$425K due to lower Insurance Expense \$479K; partially offset by higher Outside Services (\$47K)
- **Office of Strategic Initiative** – favorable variance of \$13K primarily due to lower Payroll.
- **Central Procurement Office** – favorable variance of \$266K primarily due to lower Payroll of \$401K; partially offset by less charges to Capital Projects (\$284K).
- **Environment & Sustainability Admin** – favorable variance of \$354K primarily due to lower Outside Services \$471K; partially offset by higher Payroll (\$80K).
- **Police** – favorable variance of \$12K primarily due to lower Outside Services \$390K, Travel & Other Employee Expenses \$231K Equipment \$116K; partially offset by higher General Expenses (\$406K), Payroll (\$303K), and Supplies & Stock (\$83K).
- **Engineering** – favorable variance of \$2.4M primarily due to lower Overhead Allocations of \$528K, Outside Services \$1.8M, and Equipment Expense \$150K; partially offset by higher Property Rentals (\$66K), Payroll (\$46K), and less charges to Capital Projects (\$88K).
- **PCS** – favorable variance of \$191K primarily due to lower Payroll \$484K and Outside Services \$141K; partially offset by higher Worker’s Compensation Expenses (\$145K), Equipment Expense (\$80K), and lower Capital Projects (\$201K).
- **Contingency** – unfavorable variance of (\$2.6M) due to vacancy factor and comp project actuals in departments.

V. CENTRAL SERVICES DIVISION FINANCIAL & PERFORMANCE REPORT 06/30/25

2025 Forecast vs. 2024 Actuals

- Operating Expenses for 2024 are forecasted to be \$7.0M lower than 2024 actuals, mainly due to:
 - **Core Central Support Services** – \$14M lower than 2024 actuals mainly, primarily due to unbudgeted not having the compensation project and lower expected legal expenses in FY25.
 - **Police** – \$2.3M above 2024 due to: increase in salary and benefits for represented groups based on new contracts, new positions, and vacant positions in 2024.
 - **Capital Development** – \$4.7M higher than 2024 primarily due to higher payroll and addition of new positions as well as contractual increases to support the capital program.

D. CAPITAL RESULTS

	2025 YTD Actual	2025 Year-End Forecast	2025 Budget	2025 Plan of Finance	Budget Variance	
					\$	%
\$ in 000's						
Engineering Fleet Replacement	321	2,084	2,284	980	200	8.8%
Corporate Fleet Replacement	262	1,912	3,950	3,030	2,038	51.6%
Services Tech - Small Cap	257	1,425	1,345	1,500	(80)	-5.9%
Infrastructure - Small Cap	366	469	1,564	1,500	1,095	70.0%
ID Badge System Upgrade	1,925	2,425	3,903	2,899	1,478	37.9%
Radio Microwave Redund. Loop	610	1,015	1,967	1,931	952	48.4%
Public Safety Dispatch	48	648	1,474	0	826	56.0%
Physical Access Control System Refresh	19	46	885	1,095	839	94.8%
Maximo Software System Upgrade	0	1,000	1,000	1,600	0	0.0%
Police Axon Contract 2025	188	1,006	1,324	12,000	318	24.0%
Other (note 1)	209	3,005	4,751	12,950	1,746	36.8%
Subtotal	4,205	15,035	24,447	39,485	9,412	38.5%
CIP Cashflow Adjustment	-	(4,400)	(6,700)	(8,200)	(2,300)	34.3%
TOTAL	4,205	10,635	17,747	31,285	7,112	40.1%

Note:

(1) "Other" includes remaining ICT projects and small capital projects/acquisitions.

Item Number: 11a supp
Meeting Date: August 12, 2025

A photograph of a modern, multi-story building with a white facade and large windows. The words "PORT OF SEATTLE" are visible on the upper left side of the building. In the foreground, a tall, dark metal pole stands. To the right, three flags are flying on tall poles: a green flag with a circular emblem, a red and white striped flag, and a rainbow flag. The sky is a clear, bright blue.

Port of Seattle Q2 2025 Financial Performance Report

Key Highlights

SEA passenger volume is expected to be 0.9% higher compared to 2024 actual; expecting 53.1M passengers in 2025

2025 cruise season will run from April-Oct with a projected 298 sailings and 1.9M revenue passengers

Total operating revenues were \$1.2M or 0.2% above budget in Q2 and projected to be \$893K above budget on a full-year basis

Total operating expenses were \$12.8M or 3.8% below budget in Q2 and projected to be \$11.2M above budget on a full-year basis

Total capital spending is projected to be \$927.0M, 99.9% of the budget for the year

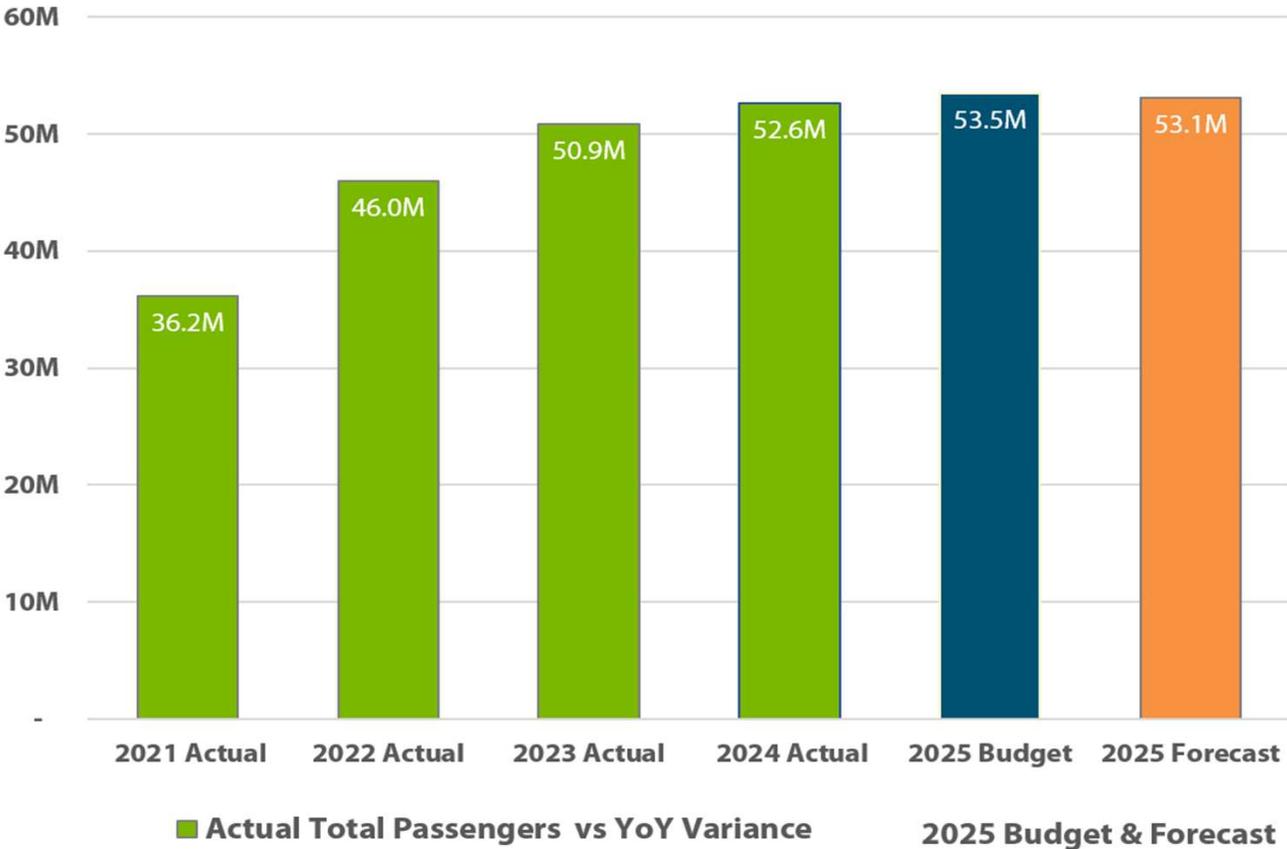


Aviation Division

2025 Q2 Financial Performance Report



Passenger Growth



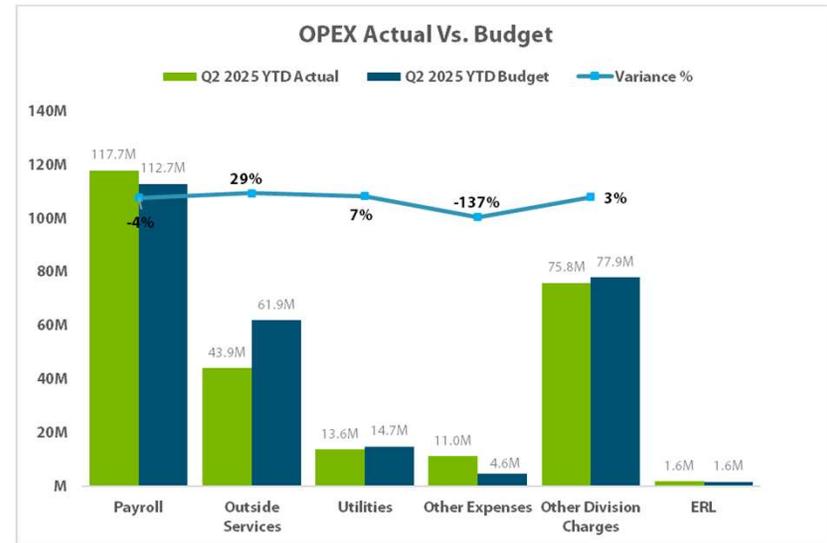
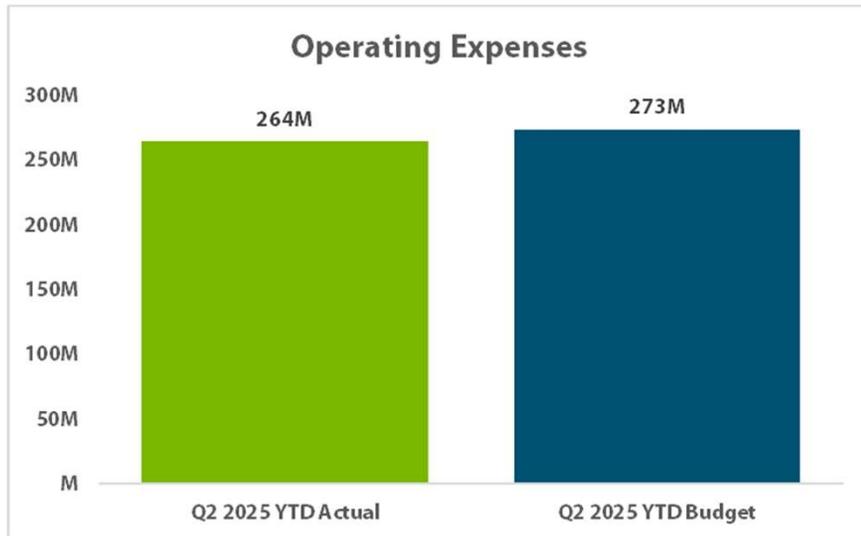
.9%

Forecast Growth compared to 2024 Actual

-.7%

2025 forecast is slightly lower than budget

Operating Expenses Summary (Q2 2025)



\$9.2M or 3.4% under budget

- **Payroll variance of (\$5M):** Salaries & Benefits are higher by \$375K due to the Compensation project, and wages & benefits are higher by \$5.1M due to contractual increases, and lower charges to capital projects
- **Outside Services underspent by \$18M:** Primarily due to lower spending in professional & personal services, onsite consultants and contracted services
- **Other Expenses higher by (\$6.4M):** Mainly driven by lower charges to capital
- **Lower charges from Central Services YTD by \$2.3M:** Due to lower outside services, equipment expenses, travel, partially offset by higher payroll and other expenses

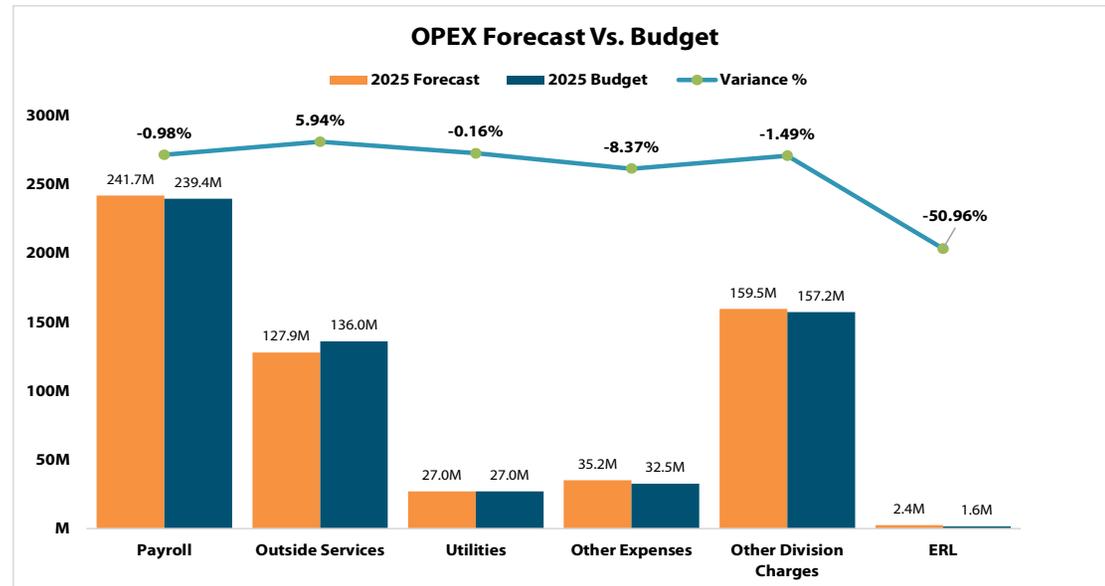
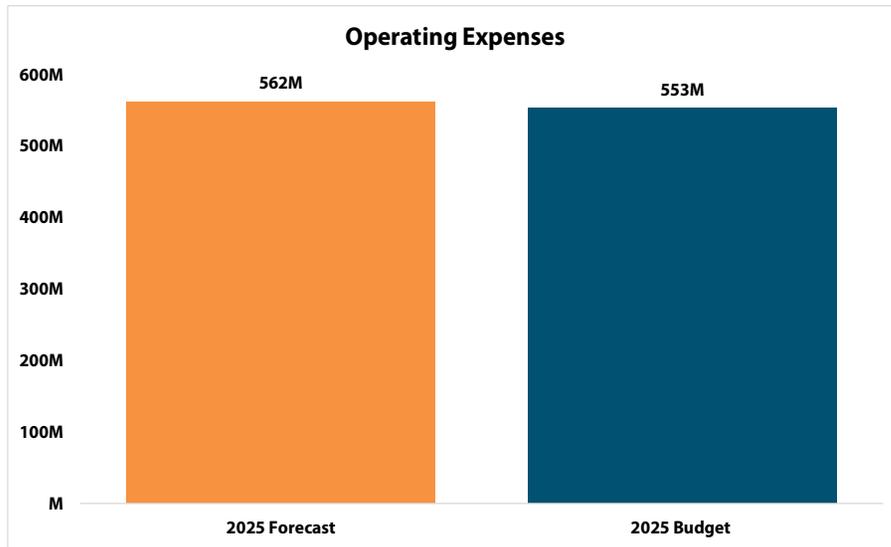
Financial Summary

<i>Figures in \$000s</i>	Forecast	Budget	Variance
Revenues			
Aeronautical	570,570	563,836	6,734
Non-Aeronautical	367,618	372,280	(4,662)
Total Revenues	938,189	936,117	2,072
Total O&M Expenses	562,068	553,222	(8,846)
NOI w/o Pension True-up	376,121	382,895	(6,774)
<u>Key Measures</u>			
Non-Aero NOI (in \$000s)	173,794	183,023	(9,229)
CPE (\$)	19.85	19.43	(0.42)
Debt Service Coverage	1.82	1.84	(0.02)
<u>Other Information</u>			
ADF Balance (in \$000s)	830,000	829,830	170
Capital Spending (in \$000s)	806,938	816,331	9,393

Business/Financial Highlights

- Aero revenues – Total Revenues increased due to increase in Aero Expenses mostly due to TSA Exit Lane Staffing contract and higher payroll costs.
- Non-aero revenues – net forecast down by \$4.7M
 - Slower growth in Parking & ADR than assumed in the Budget
 - Strong performance in Flight Kitchens & Clubs & one month of additional revenue from STOC than assumed in the Budget
- Operating expenses are expected to be higher than the budget by \$8.8M
 - Total Aviation expenses is forecasted to be \$5.5M higher than budgeted mainly due to the TSA exit lane staffing contract and charges from Other Divisions.

Operating Expenses Summary (Full Year Forecast)



\$8.9M or 1.6% over budget

Operating Expense is forecasted to be higher than budget primarily due to

- Higher wages & benefits
- TSA exit lane contract
- Higher charges from Central Services due to higher salaries & benefits

Debt Service Coverage Ratio slightly lower than budget

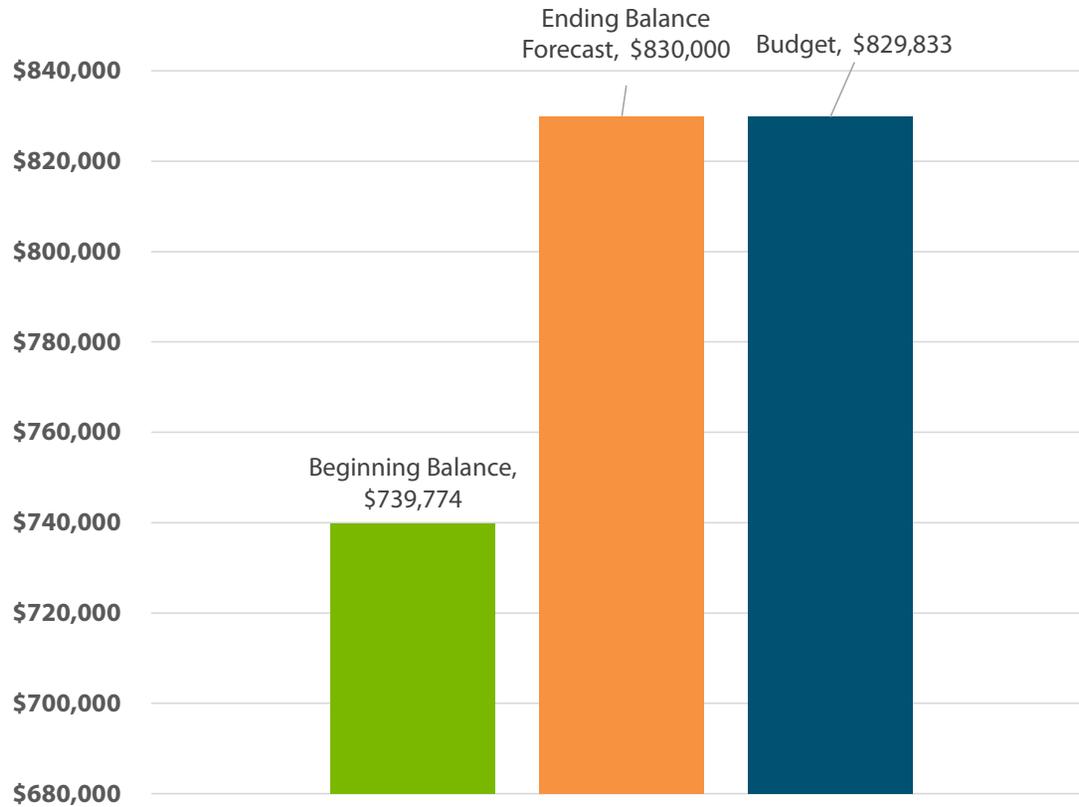
	in \$000's	2024 Actual	2025 Forecast	2025 Budget	Variance
Revenues					
Aero		520,942	570,570	563,836	6,734
Non-aero		348,212	367,618	372,280	(4,662)
Total Revenues		869,154	938,189	936,117	2,072
O&M		(529,828)	(562,068)	(553,222)	(8,846)
Net Operating Income		339,326	376,121	382,895	(6,774)
CFC Excess		(10,174)	(10,483)	(9,209)	(1,274)
Other net non-operating		52,270	22,130	21,073	1,057
Available for debt service		381,421	387,767	394,759	(6,992)
Debt Service					
Gross debt service (net of cap i)		326,295	338,454	339,226	(772)
CFC offset		(24,890)	(25,056)	(25,060)	4
PFC offset		(100,000)	(100,000)	(100,000)	-
Net Debt Service		201,405	213,397	214,166	(769)
Debt Service Coverage		1.89	1.82	1.84	(0.02)

Note: DS Coverage is airport only debt service coverage, calculated in accordance with airline agreement.

- **Non-aero revenues** are projected to be \$4.7M below budget due to slower growth in Parking and ADR, and delays in the expanded Employee Parking program, partially offset by stronger performance in Flight Kitchens, Port-owned Clubs, and an extra month of STOC ownership.
- **Aero revenues** are projected to exceed budget by \$6.7M primarily due to increased Aero expenses related to TSA Exit Lane Staffing.
- **Total O&M** spending is projected to be \$8.8M over budget, primarily driven by increased expenses in TSA Exit Lane not in the budget, higher payroll and charges from Central Services.

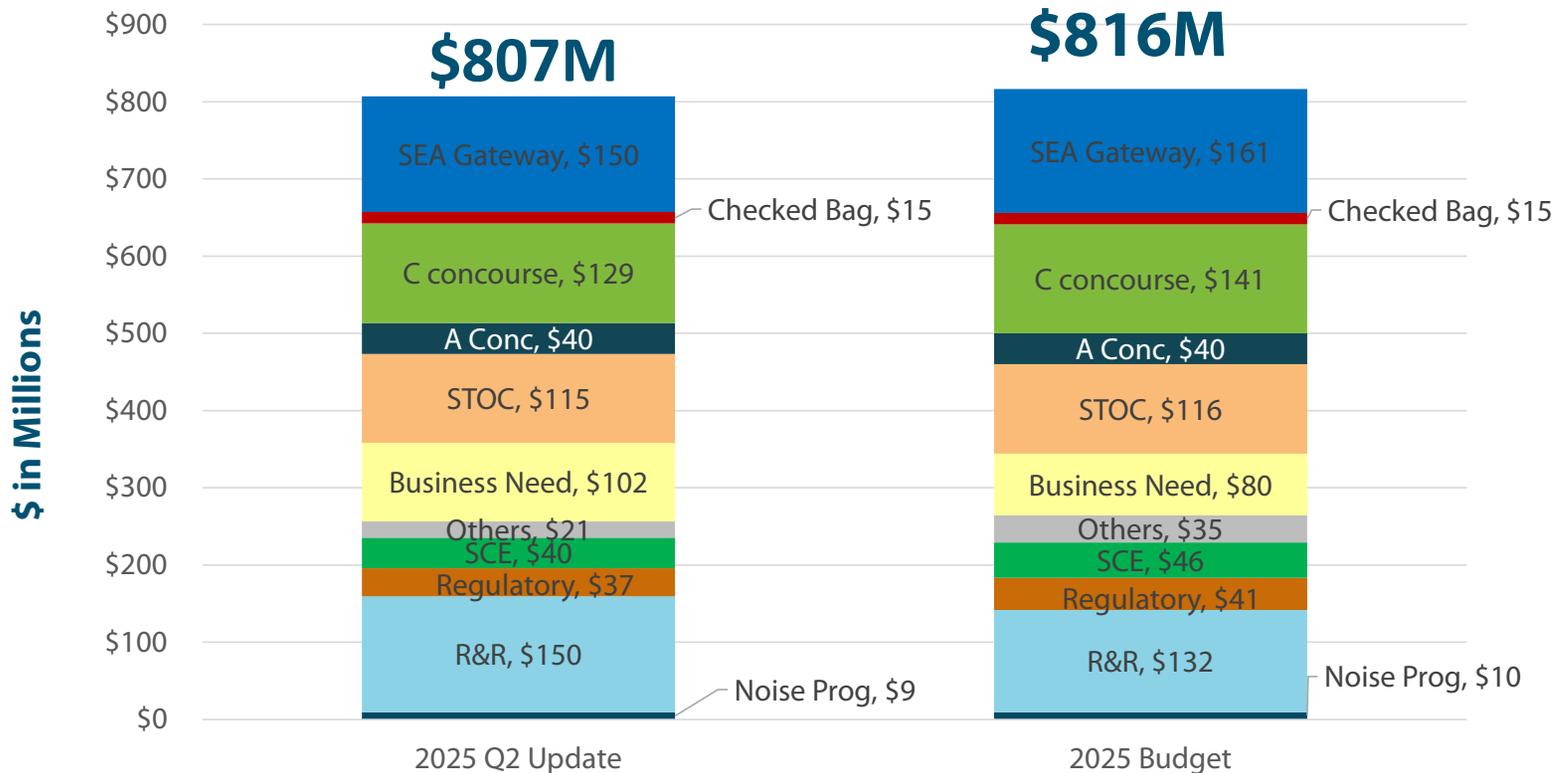
Airport Development Fund Balance

\$ in 000's



- Ending balance forecast of \$830M which is the target of \$830M (18 months of O&M in 2025).

2025 Capital Spending Forecast – 99% on target



- \$807M is projected 2025 capital spending. It's \$9M less than the 2025 budget.
- C Concourse is projected to spend \$12M less as actuals for structural steel erection were lower than projected.
- SEA Gateway projects less spending due to changes in billing.
- Other categories were adjusted by the updated cashflow reserve.

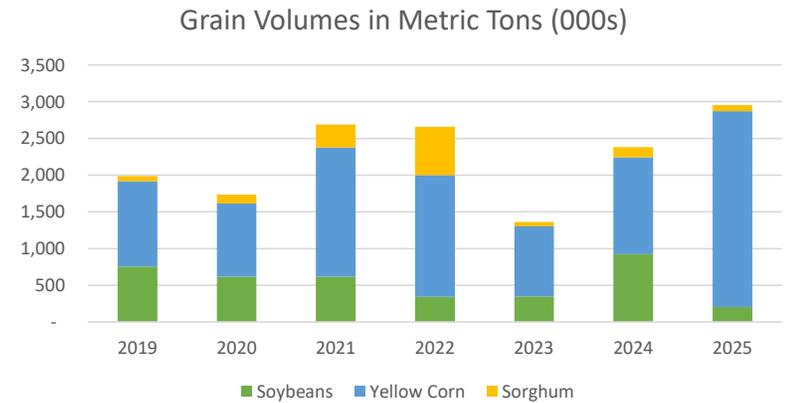
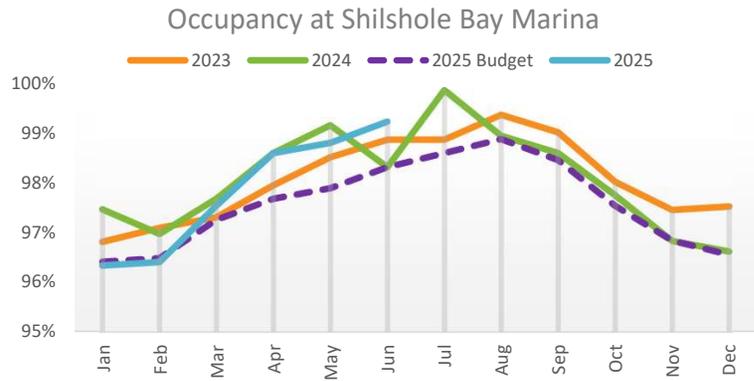
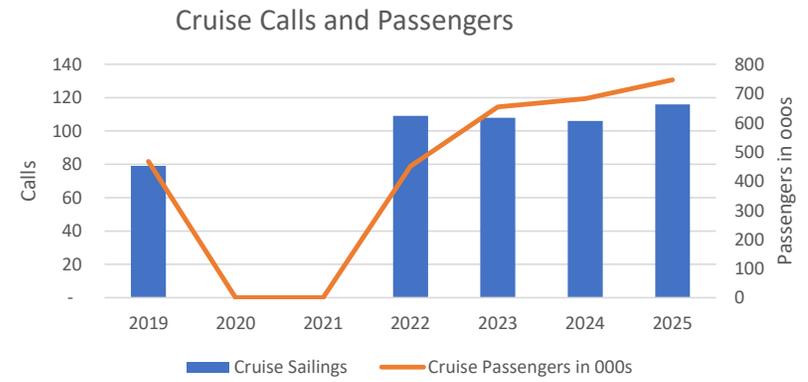
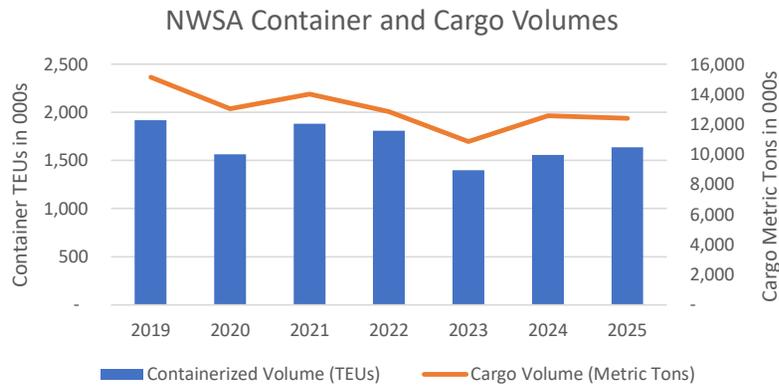
Seaport

2025 Q2 Financial Performance Report



Seaport Key Metrics

YTD Q2 2025



Seaport Performance Summary – Q2 2025

	2023 YTD	2024 YTD	2025 YTD		Actual vs. Budget Variance		Change from 2024		2025	2025	Fcst vs. Budget Variance	
	Actual	Actual	Actual	Budget	\$	%	\$	%	Forecast	Budget	\$	%
\$ in 000's												
Revenues												
Maritime	44,209	50,915	53,905	53,348	557	1%	2,990	6%	116,865	118,115	(1,250)	-1%
Economic Development Division	8	9	11	2	9	601%	2	21%	13	3	10	333%
Joint Venture	29,205	29,100	31,857	28,447	3,409	12%	2,757	9%	56,920	56,920	0	0%
Total Revenue	73,422	80,023	85,772	81,797	3,975	5%	5,749	7%	173,797	175,037	(1,240)	-1%
Expenses												
Maritime	41,350	45,668	49,946	51,273	1,328	3%	4,277	9%	105,473	103,748	(1,725)	-2%
Economic Development Division	731	648	827	1,229	403	33%	178	27%	3,800	3,890	90	2%
Joint Venture	1,437	1,773	903	864	(39)	-5%	(870)	-49%	2,213	1,763	(450)	-26%
Total Expense	43,519	48,090	51,676	53,367	1,691	3%	3,586	7%	111,485	109,400	(2,085)	-2%
NOI Before Stormwater Utility	29,904	31,934	34,097	28,430	5,666	20%	2,163	7%	62,312	65,637	(3,325)	-5%
Stormwater Utility NOI	664	488	66	(73)	139	-190%	(422)	-87%	(343)	(343)	0	0%
Total Non-Aviation Business NOI	30,567	32,422	34,162	28,357	5,805	20%	1,740	5%	61,969	65,294	(3,325)	-5%

Revenue

- Waterside have continues strong demand.
- Grain volumes up 24% from 2024.
- Cruise tracking to budget.
- Offsets: T106 credit and multi-year Grain billing issue.

Expenses

- Payroll impacts.
- YTD-
 - Timing of Outside Services spend.
 - Overhead Allocations not yet applied from Balance Sheet.

Maritime Division

2025 Q2 Financial Performance Report



Maritime Division 2025 Financials

Forecast

<i>Figure in \$000s</i>	<u>Forecast</u>	<u>Budget</u>	<u>Variance</u>
Revenues			
Fishing, Commercial, & Recreational			
Marinas	29,883	29,883	0
Cruise	50,037	50,037	0
RE Portfolio Mgmt.	31,531	33,156	(1,625)
Grain / Other	5,413	5,038	375
Total	116,865	118,115	(1,250)
O&M Expense			
Direct	42,982	42,657	(325)
Support Services	32,893	31,993	(900)
Central Services and Other	29,598	29,098	(500)
Total	105,473	103,748	(1,725)
Net Operating Income	11,392	14,367	(2,975)
Capital Spending	103,014	89,827	(13,187)

Revenues –

- Great start for Grain terminal & Marinas.
- Cruise on track.
- Portfolio Mgmt. – Env. Credit and Conference Centers.

Year to Date Q2

<i>YTD Q2 2025 Figure in \$000s</i>	<u>Actuals</u>	<u>Budget</u>	<u>Variance</u>
Revenues			
Fishing, Commercial, & Recreational			
Marinas	15,289	14,846	443
Cruise	19,994	19,732	262
RE Portfolio Mgmt.	14,989	16,083	(1,094)
Grain / Other	3,633	2,687	947
Total	53,905	53,348	557
O&M Expense			
Direct	20,436	21,291	855
Support Services	14,968	15,495	526
Central Services and Other	14,541	14,488	(54)
Total	49,946	51,273	1,328
Net Operating Income	3,959	2,075	1,885
Capital Spending	47,458		

Expenses –

- Cyber Attack impacts delaying expenses.
- Negative Variance in Payroll expected.
- Remediation costs continue.

Maritime Capital

YTD Q2

	2025 Actual	2025 YE Forecast	2025 Budget	2025 POF	Budget vs Forecast	
					\$	%
\$ in 000's						
T91 Berth 6 & 8 Redev	26,266	53,863	45,903	59,766	7,960	17%
FT Maritime Innovation Center	6,410	16,740	16,832	22,675	(92)	-1%
MIC Electrical Replacements	1,736	3,678	3,678	9,640	0	0%
T91 New Cruise Gangway	985	3,235	3,220	6,402	15	0%
Bell St Parking Garage Imrov	406	1,906	2,115	2,658	(209)	-10%
P90/P91 E Term Emerg Repair	1,978	2,043	1,899	0	144	8%
FT Site Improvements	272	1,920	1,860	1,432	60	3%
Elliott Bay Connections (EBC)	14	956	1,145	1,145	(189)	-17%
P66 Fender Replacement	1,615	1,635	1,055	3,070	580	55%
Waterfront LED Lighting	30	605	1,021	650	(416)	-41%
Fleet	888	3,701	3,660	3,800	41	1%
All Other Projects	6,858	22,343	23,251	52,636	(908)	-4%
Subtotal	47,458	112,625	105,639	163,874	6,986	7%
CIP CashFlow Mgt	0	(9,611)	(15,812)	(32,175)	6,201	-39.2%
Total Maritime	47,458	103,014	89,827	131,699	13,187	15%
% of Capital Budget	53%	115%				

Projects with Significant Variances

T91 Berth 6&8 – Increase in 2025 due to change orders related to seawall/other unexpected site conditions. Assumed 50% use of contingency but now closer to 80%

P66 Fender Replacement – Project is on schedule and budget. Additional costs reflect the inclusion of a barge impact assessment.

Waterfront LED Lighting – Common space projects underway, but tenant space projects delayed for additional development.

All Other Projects – MD Video Camera Project procurement of HW pushed out to 2026, engagement with PCS slower than anticipated.

Forecasted Spend: Over budget, but below funding plan.

Economic Development Division

2025 Q2 Financial Performance Report



Economic Development Division

P&L Rollup

Year to Date

	2023 YTD	2024 YTD	2025 YTD	2025 YTD	Actual vs. Budget Variance		Change from 2024	
	Actual	Actual	Actual	Budget	\$	%	\$	%
\$ in 000's								
Total Revenues	8	9	11	2	9	601%	2	21%
Total Operating Expenses	731	648	827	1,229	403	33%	178	27%
Net Operating Income	(723)	(640)	(816)	(1,228)	412	-34%	(176)	28%
Depreciation	6	5	7	5	(2)	-34%	2	40%
Net Income	(729)	(645)	(823)	(1,233)	410	33%	(178)	-28%

Forecast

	2023	2024	2025	2025	Actual vs. Budget Variance		Change from 2024	
	Actual	Actual	Actual	Budget	\$	%	\$	%
\$ in 000's								
Total Revenues	(24)	8	13	3	10	333%	5	61%
Total Operating Expenses	3,351	2,951	3,900	3,890	(10)	0%	949	32%
Net Operating Income	(3,375)	(2,943)	(3,887)	(3,887)	0	0%	(944)	32%
Depreciation	12	14	11	11	0	0%	(4)	-25%
Net Income	(3,387)	(2,957)	(3,898)	(3,898)	0	0%	(940)	-32%

Note: Totals excluding impact of pension adjustment

Key Variances

Note: Includes primarily Tourism and EDD Levy

Year to Date

- \$51K benefit from GASB 87 reclassification at Duwamish Hub.
- Timing of contract payments.

Forecast

- Planning to spend to Budget
- Increase from prior year:
 - Two-year cycle impact for EDD Grants planned in Q4.
 - Payroll growth.

Economic Development Division

Department Cost

Department Financials

<i>Figure in \$000s</i>	<u>YTD Q2 Act</u>	<u>YTD Q2 Bud</u>	<u>Variance</u>
O&M Expense			
Division Administration	819	744	(75)
EDD Partnership Grant Program	0	0	0
Real Estate Dev & Planning	338	778	440
Diversity in Contracting	823	1,176	353
Tourism	558	837	279
Capital to Expense	57	0	(57)
*Contingency	13	100	88
Total	2,607	3,635	1,029

Business Highlights

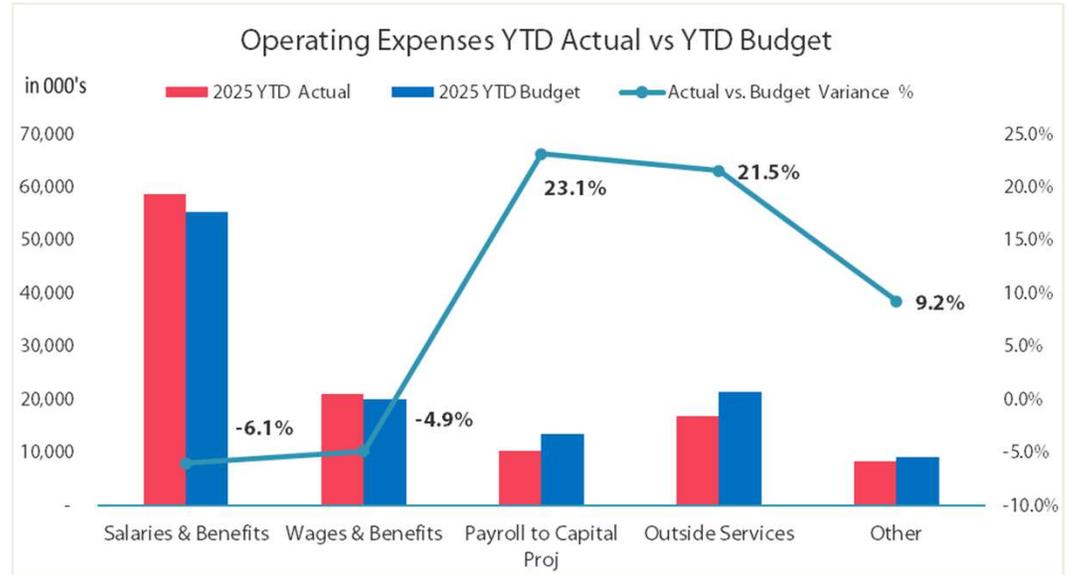
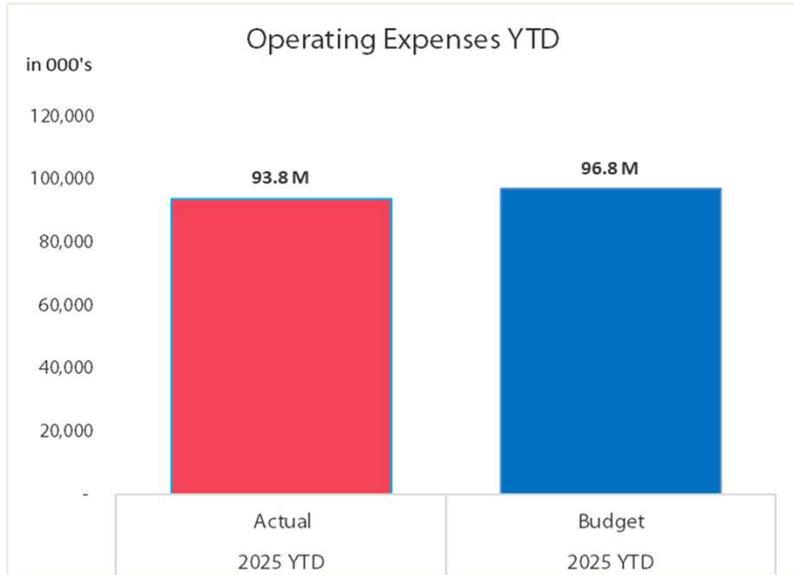
- General Underspending in Outside Services and GASB 87 lease impact.
- Real Estate Dev & Planning
 - Des Moines Creek west project underway.
 - EV charging stations on Maritime Pier 2 property going to commission in September.
- Tourism
 - Industry facing decrease in international travel to U.S.
 - \$550K for Tourism matching grants budgeted for Q3 & Q4.
- Diversity in Contracting
 - New 5-year WMBE Goals of passed.
 - Working with CPO to expedite Payment to small businesses.
- EDD Partnership Grant Program underspent
 - Partnership program expecting to utilize about 80% of matching grant funds.

Central Services

2025 Q2 Financial Performance Report



Operating Expenses Summary (YTD)



\$3.0M or 3.1% favorable

- Payroll Costs **\$1.2M** higher than budget
- Equipment Expense **\$785K** below budget
- Outside Services **\$4.6M** below budget
- Travel & Other Employee Expenses **\$744K** underspent
- Charges to Capital Projects **\$1.9M** below budget

2025 Financial Forecast Summary

<i>Figures in \$000s</i>	Forecast	Budget	Variance
Revenues	244	183	61
Core Central Support Services	132,884	127,143	(5,742)
Police	45,849	45,860	12
Engineering/PCS	20,336	22,907	2,571
O&M Expenses	199,069	195,910	(3,159)
Capital Spending	11,759	17,747	5,988

- Central Services:
 - Payroll higher than budget due to the Comp project (Retro and Equity Pay) and COLA increase.
 - Outside services are higher than budgeted due to unbudgeted legal matters and cyberattack-related expenses.
 - General Expenses are higher than budgeted due to Litigated Injuries & Damages.
- Police outside services are lower than budgeted.
- Engineering & PCS outside services and Overhead Allocations are lower than budgeted.

Port Wide

2025 Q2 Financial Performance Report



Port Wide Financial Summary (YTD)

	2023 YTD	2024 YTD	2025 YTD	2025 YTD	Actual vs. Budget		Change from 2024	
	Actual	Actual	Actual	Budget	Variance		Incr (Decr)	
\$ in 000's					\$	%	\$	%
Aeronautical Revenues	240,218	252,437	273,752	275,055	(1,303)	-0.5%	21,314	8.4%
Airport Non-Aero Revenues	145,446	158,483	170,758	170,868	(110)	-0.1%	12,275	7.7%
Seaport Revenues	76,356	82,984	88,589	85,936	2,653	3.1%	5,605	6.8%
Total Operating Revenues	462,020	493,904	533,099	531,858	1,240	0.2%	39,195	7.9%
Total Operating Expenses	264,352	289,103	321,204	334,022	12,818	3.8%	32,101	11.1%
NOI before Depreciation	197,668	204,801	211,895	197,837	14,059	7.1%	7,094	3.5%
Depreciation	124,427	130,832	142,924	133,135	(9,789)	-7.4%	12,092	9.2%
NOI after Depreciation	73,241	73,969	68,971	64,702	4,270	6.6%	(4,998)	-6.8%

- Total Operating Revenues: \$1.2M higher than budget
- Total Operating Expenses: \$12.8M below budget mainly due to delay in Outside Services spending, less Equipment purchases, and Travel & Othe Employee expenses
- NOI before Depreciation: \$14.0M above budget

Port Wide Financial Summary (YE Forecast)

\$ in 000's	2023	2024	2025	2025	Fcst vs. Budget Variance		Change from 2024 Incr (Decr)	
	Actual	Actual	Forecast	Budget	\$	%	\$	%
Aeronautical Revenues	479,697	520,942	570,570	563,836	6,734	1.2%	49,629	9.5%
Airport Non-Aero Revenues	326,592	348,212	367,618	372,280	(4,662)	-1.3%	19,406	5.6%
Seaport Revenues	162,991	174,395	182,298	183,476	(1,179)	-0.6%	7,903	4.5%
Total Operating Revenues	969,281	1,043,549	1,120,486	1,119,593	893	0.1%	76,937	7.4%
Total Operating Expenses	550,899	652,642	689,531	678,288	(11,243)	-1.7%	36,890	5.7%
NOI before Depreciation	418,382	390,907	430,955	441,305	(10,350)	-2.3%	40,048	10.2%
Depreciation	256,740	277,917	267,028	267,028	-	0.0%	(10,889)	-3.9%
NOI after Depreciation	161,642	112,990	163,927	174,277	(10,350)	-5.9%	50,937	45.1%

- Total Operating Revenues are expected to be \$893K above budget due to higher Aero Revenue; partially offset by lower Airport Non-Aero Revenues and Seaport RE Portfolio Management.
- Total Operating expenses are expected to be \$11.2M above budget mainly due to higher Payroll and Outside Services.
- Net Operating Income before Depreciation is forecasted to be \$10.4M below budget.

Port Wide Capital Spending



- Q2 YTD total capital spending was \$439M
- Full year capital spending is expected to be \$927M, \$0.6M or 0.1% below budget

Aviation Division Appendix

2025 Q2 Financial Performance Report



Airport Activity

	YTD 2023	YTD 2024	YTD 2025	% Change from 2024
Total Passengers (000's)				
Domestic	21,046	21,470	21,504	0.2%
International	2,694	3,027	3,380	11.7%
Total	23,740	24,497	24,884	1.6%
Operations	199,644	205,871	209,440	1.7%
Landed Weight (In Millions of lbs.)				
Cargo	1,321	1,395	1,240	-11.1%
All other	13,784	14,124	14,644	3.7%
Total	15,105	15,519	15,885	2.4%
Cargo - Metric Tons				
Domestic freight	147,135	174,322	146,307	-16.1%
International & Mail freight	52,589	51,727	59,402	14.8%
Total	199,724	226,049	205,709	-9.0%

2025 YTD Passenger volume:

YTD through June passenger volume is 1.6% higher than YTD in 2024.

Month summary (Jun 2025 vs. Jun 2024)

Airline	Code	Current pax	Market share	Previous pax	Pax % diff
Alaska Airlines (rollup)	AS	2,604,158	50.4%	2,643,856	-1.5%
Delta Air Lines (rollup)	DL	1,193,425	23.1%	1,206,428	-1.1%
United Airlines (rollup)	UA	275,630	5.3%	264,614	4.2%
Southwest Airlines (r..)	WN	256,198	5.0%	246,314	4.0%
American Airlines (rol..)	AA	229,985	4.5%	224,332	2.5%

Aviation Financial Summary

Financial Summary (\$ in 000's)	2023	2024	2025	2025	Forecast vs. Budget Variance		Incr/(Decr) Change from 2024	
	Actual	Actual	Forecast	Budget	\$	%	\$	%
Operating Revenue								
Aeronautical Revenues	479,697	520,942	570,570	563,836	6,734	1.2%	49,629	9.5%
Non-Aeronautical Revenues	326,592	348,212	367,618	372,280	(4,662)	-1.3%	19,406	5.6%
Total Operating Revenues	806,289	869,154	938,189	936,117	2,072	0.2%	69,035	7.9%
Total Operating Expenses w/o Pension True-Up	469,263	548,405	562,068	553,222	(8,846)	-1.6%	13,663	2.5%
Net Operating Income	360,598	339,326	376,121	382,895	(6,774)	-1.8%	36,794	10.8%
CPE	17.52	18.26	19.85	19.43	(0.42)	-2.2%	1.59	8.7%
Non-Aero NOI (\$ in 000s)	181,377	175,946	173,794	183,023	(9,229)	-5.0%	(2,152)	-1.2%
Enplaned passengers (in 000s)	25,371	26,295	26,472	26,737	(265)	-1.0%	177	0.7%
Capital Expenditures (in 000s)	444,072	684,442	806,938	816,331	9,393	1.2%	122,496	17.9%

Key Performance Measures

	2022	2023	2024	2025	2025	Forecast vs. Budget Variance		Incr/(Decr) Change from 2024	
	Actual	Actual	Actual	Forecast	Budget	\$	%	\$	%
Key Performance Metrics									
Cost per Enplanement (CPE)	16.09	17.52	18.26	19.85	19.43	(0.42)	-2.2%	1.59	8.7%
Non-Aeronautical NOI (in 000's)	135,483	189,063	175,946	173,794	183,023	(9,229)	-5.0%	(2,152)	-1.2%
Other Performance Metrics									
O&M Cost per Enplanement	17.20	18.60	20.88	21.23	20.69	(0.54)	-2.6%	0.35	1.7%
Non-Aero Revenue per Enplanement	11.17	12.87	13.26	13.89	13.92	(0.04)	-0.3%	0.63	4.7%
Debt per Enplanement (in \$)	193	166	157	153	154	0	0.3%	(4)	-2.6%
Debt Service Coverage	2.64	2.02	1.89	1.82	1.84	(0.02)	-1.1%	(0.07)	-3.7%
Days cash on hand (18 months = 545 day)	457	507	512	545	517	28	5.4%	33	6.4%
Activity (in 000's)									
Enplanements	22,966	25,371	26,295	26,472	26,737	(265)	-1.0%	177	0.7%
Total Passengers	45,964	50,885	52,641	53,122	53,474	(352)	-0.7%	481	0.9%

Aviation Expense YTD Summary

Total Airport Expense Summary (\$ in 000's)	2023 YTD (Q2)	2024 YTD (Q2)	2025 YTD		Actual vs. Budget		Incr/(Decr)	
			(Q2)	(Q2)	Variance		Change from 2024	
	Actual	Actual	Actual	Budget	\$	%	\$	%
Operating Expenses								
Payroll	92,502	102,225	117,688	112,680	(5,008)	-4.4%	15,462	15.1%
Outside Services	38,888	42,557	43,919	61,898	17,979	29.0%	1,361	3.2%
Utilities	11,437	13,220	13,570	14,662	1,092	7.4%	350	2.6%
Other Expenses	7,092	5,335	10,997	4,644	(6,353)	-136.8%	5,662	106.1%
Total Airport Direct Charges	149,919	163,338	186,174	193,884	7,711	4.0%	22,835	14.0%
Environmental Remediation Liability	6,377	1,308	1,609	1,589	(20)	-1.2%	301	23.0%
Capital to Expense	359	258	575	-	(575)		317	123.0%
Total Exceptions	6,737	1,566	2,184	1,589	(595)	-37.4%	618	39.5%
Total Airport Expenses	156,656	164,904	188,358	195,473	7,116	3.6%	23,453	14.2%
Corporate	42,814	48,749	53,251	54,609	1,358	2.5%	4,502	9.2%
Police	14,123	18,735	19,705	19,831	127	0.6%	970	5.2%
Maritime/Economic Development/Other	1,940	2,240	2,833	3,424	591	17.3%	593	26.5%
Total Charges from Other Divisions	58,877	69,724	75,789	77,864	2,075	2.7%	6,064	8.7%
Total Operating Expenses w/o Pension True-Up	215,532	234,629	264,146	273,338	9,191	3.4%	29,518	12.6%

Aviation Expense YE Summary

Total Airport Expense Summary (\$ in 000's)	2022	2023	2024	2025	2025	Forecast vs. Budget Variance		Incr/(Decr) Change from 2024	
	Actual	Actual	Actual	Forecast	Budget	\$	%	\$	%
Operating Expenses									
Payroll	168,389	193,130	223,027	234,395	232,074	(2,321)	-1.0%	11,368	5.1%
Outside Services	75,700	87,364	104,086	117,577	125,654	8,077	6.4%	13,491	13.0%
Utilities	22,880	23,285	25,543	27,010	26,966	(44)	-0.2%	1,466	5.7%
Other Expenses	15,141	17,655	21,596	20,795	9,772	(11,023)	-112.8%	(801)	-3.7%
Total Airport Direct Charges	282,110	321,434	374,253	399,777	394,465	(5,312)	-1.3%	25,524	6.8%
Environmental Remediation Liability	(1,274)	13,017	2,600	2,399	1,589	(810)	-51.0%	(201)	-7.7%
Capital to Expense	2,356	480	553	377	-	(377)		(176)	-31.8%
Total Exceptions	1,081	13,497	3,153	2,776	1,589	(1,187)	-74.7%	(377)	-12.0%
Total Airport Expenses	283,191	334,931	377,406	402,553	396,054	(6,499)	-1.6%	25,147	6.7%
Corporate	60,659	95,740	125,262	114,442	111,534	(2,908)	-2.6%	(10,820)	-8.6%
Police	27,660	33,750	39,709	38,622	38,624	2	0.0%	(1,087)	-2.7%
Maritime/Economic Development/Other	3,687	4,840	6,028	6,450	7,009	558	8.0%	422	7.0%
Total Charges from Other Divisions	92,006	134,331	170,999	159,514	157,167	(2,347)	-1.5%	(11,485)	-6.7%
Total Operating Expenses w/o Pension True-Up	375,198	469,263	548,405	562,068	553,222	(8,846)	-1.6%	13,663	2.5%

Aeronautical Business YTD

Aeronautical NOI (S in 000's)	2023 YTD	2024 YTD	2025 YTD	2025 YTD	Actual vs. Budget		Incr/(Decr)	
	(Q2)	(Q2)	(Q2)	(Q2)	Variance		Change from 2024	
	Actual	Actual	Actual	Budget	\$	%	\$	%
Rate Base Revenues								
Airfield Movement Area	66,779	74,894	80,564	80,413	151	0.2%	5,670	7.6%
Airfield Apron Area	14,321	13,414	15,960	17,177	(1,218)	-7.1%	2,546	19.0%
Terminal Rents	133,174	134,447	140,124	140,343	(219)	-0.2%	5,677	4.2%
Federal Inspection Services (FIS)	17,345	19,948	24,042	24,042	(0)	0.0%	4,095	20.5%
Total Rate Base Revenues	231,618	242,702	260,690	261,975	(1,286)	-0.5%	17,987	7.4%
Airfield Commercial Area	8,600	9,735	13,062	13,079	(17)	-0.1%	3,327	34.2%
Total Aeronautical Revenues	240,218	252,437	273,752	275,055	(1,303)	-0.5%	21,314	8.4%
Total Aeronautical Expenses	151,356	162,767	180,612	184,420	3,807	2.1%	17,845	11.0%
Aeronautical NOI	88,862	89,670	93,139	90,635	2,504	2.8%	3,469	3.9%

Aeronautical Business

Aeronautical NOI (\$ in 000's)	2023	2024	2025	2025	Forecast vs. Budget Variance		Incr/(Decr) Change from 2024	
	Actual	Actual	Forecast	Budget	\$	%	\$	%
Rate Base Revenues								
Airfield Movement Area	142,797	170,821	168,041	166,149	1,892	1.1%	(2,781)	-1.6%
Airfield Apron Area	26,118	32,270	35,931	35,432	499	1.4%	3,661	11.3%
Terminal Rents	251,892	279,722	289,814	286,307	3,507	1.2%	10,092	3.6%
Federal Inspection Services (FIS)	41,214	15,206	49,918	49,811	108	0.2%	34,712	228.3%
Total Rate Base Revenues	462,020	498,019	543,704	537,699	6,005	1.1%	45,685	9.2%
Airfield Commercial Area	17,677	22,922	26,866	26,137	729	2.8%	3,944	17.2%
Total Aeronautical Revenues	479,697	520,942	570,570	563,836	6,734	1.2%	49,629	9.5%
Total Aeronautical Expenses	308,162	367,736	378,447	373,174	(5,273)	-1.4%	10,711	2.9%
Aeronautical NOI	171,535	153,205	192,124	190,663	1,461	0.8%	38,918	25.4%
Debt Service	(144,395)	(157,518)	(178,887)	(179,527)	641	-0.4%	(21,369)	13.6%
Net Cash Flow	27,140	(4,312)	13,237	11,135	2,102	18.9%	17,549	-407.0%

Aero Cost Drivers

\$ in 000's	2025 Budget	2025 Forecast	Impact on Aero Revenues Budget vs Forecast	
			\$	%
O&M ⁽¹⁾	360,905	365,993	5,088	1.4%
Debt Service Before Offsets	236,757	237,699	942	0.4%
Debt Service PFC Offset	(93,230)	(93,247)	(17)	0.0%
Net Debt Service	143,527	144,452	925	0.6%
Amortization	36,712	36,712	-	0.0%
Space Vacancy	(672)	(681)	(9)	1.3%
Grants and Other	(2,773)	(2,773)	-	0.0%
Rate Base Revenues	537,699	543,704	6,005	1%
Commercial area	26,137	26,866	729	3%
Total Aero Revenues	563,836	570,570	6,734	1%

Aero Revenue Forecast is higher due to increased O&M

(1) O&M, Debt Service Gross, and Amortization do not include commercial area costs or the international incentive expenses

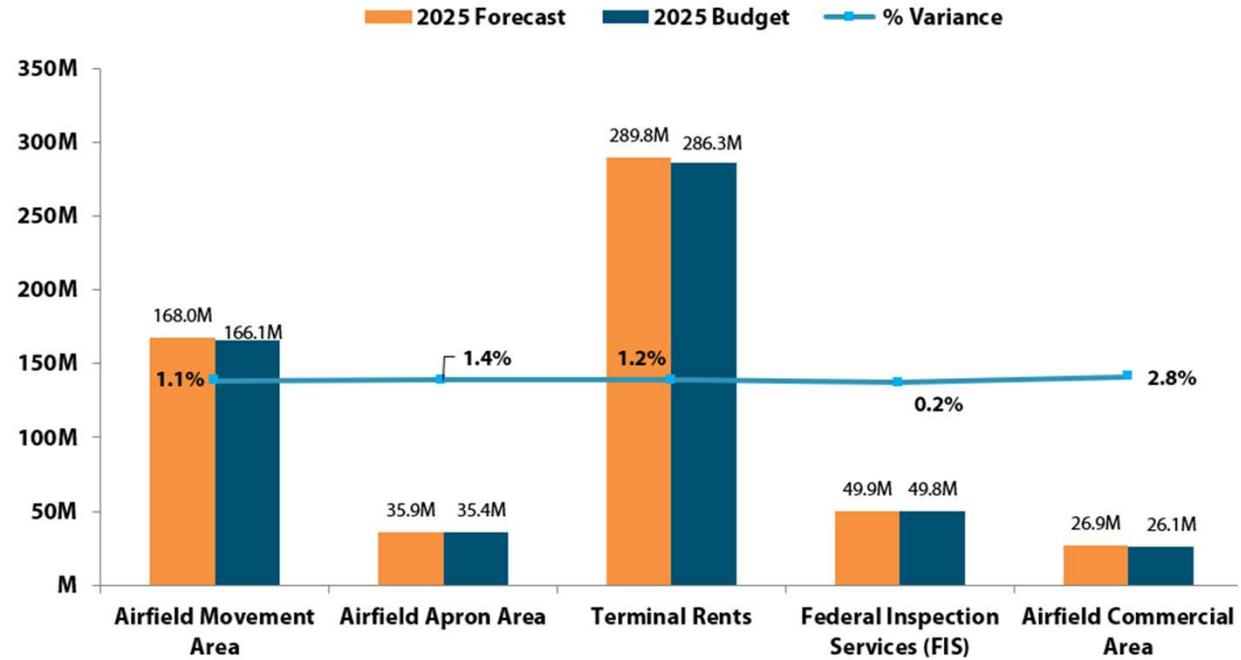
Aero rate base revenues based on cost recovery formulas

Aeronautical Revenue

Forecast
\$571M

↑ \$6.7M
 1.2%

Budget
\$564M



Aeronautical Revenue higher than budgeted due to higher forecasted expenses:

- Unbudgeted increase due to Exit Lane Staffing of more than \$3.5M
- Higher Payroll costs primarily due to the compensation project and wages and benefits
- Higher costs from Central Services

Non-Aeronautical Business Year End

Non-Aeronautical NOI (\$ in 000's)	2023	2024	2025	2025	Forecast vs. Budget Variance		Incr/(Decr) Change from 2024	
	Actual	Actual	Forecast	Budget	\$	%	\$	%
Non-Aeronautical Revenues								
Public Parking	110,990	116,626	116,057	119,634	(3,577)	-3.0%	(569)	-0.5%
Rental Cars	63,460	66,271	67,795	67,197	598	0.9%	1,524	2.3%
Ground Transportation	24,878	23,946	24,705	25,901	(1,196)	-4.6%	759	3.2%
Airport Dining & Retail	65,952	73,703	73,230	76,630	(3,401)	-4.4%	(474)	-0.6%
Other	61,312	67,666	85,832	82,919	2,913	3.5%	18,166	26.8%
Total Non-Aeronautical Revenues	326,592	348,212	367,618	372,280	(4,662)	-1.3%	19,406	5.6%
Total Non-Aeronautical Expenses	137,529	162,092	183,341	180,048	3,293	1.8%	21,249	13.1%
Non-Aeronautical NOI¹	189,063	186,121	184,277	192,232	(7,955)	-4.1%	(1,843)	-1.0%
Less: CFC Surplus	(7,686)	(10,174)	(10,483)	(9,210)	(1,274)	13.8%	(309)	3.0%
Adjusted Non-Aeronautical NOI	181,377	175,946	173,794	183,023	(9,229)	-5.0%	(2,152)	-1.2%
Debt Service	(27,096)	(43,887)	(34,511)	(34,633)	123	-0.4%	9,377	-21.4%
Net Cash Flow	154,281	132,059	139,283	148,389	(9,106)	-6.1%	7,224	5.5%

Operating Revenue was REDUCED by Federal Concessionaire Relief grants in 2023

Non-Aeronautical Business YTD

Non-Aeronautical NOI (\$ in 000's)	2023 YTD	2024 YTD	2025 YTD	2025 YTD	Actual vs. Budget		Incr/(Decr)	
	(Q2)	(Q2)	(Q2)	(Q2)	Variance		Change from 2024	
	Actual	Actual	Actual	Budget	\$	%	\$	%
Non-Aeronautical Revenues								
Public Parking	52,391	59,047	58,728	60,903	(2,175)	-3.6%	(319)	-0.5%
Rental Cars	23,516	23,675	26,594	25,560	1,033	4.0%	2,919	12.3%
Ground Transportation	11,750	11,853	11,784	12,419	(636)	-5.1%	(69)	-0.6%
Airport Dining & Retail	27,200	32,670	33,031	34,234	(1,202)	-3.5%	362	1.1%
Other	30,589	31,238	40,622	37,752	2,870	7.6%	9,383	30.0%
Total Non-Aeronautical Revenues	145,446	158,483	170,758	170,868	(110)	-0.1%	12,275	7.7%
Total Non-Aeronautical Expenses	41,438	71,861	83,534	88,918	(5,384)	-6.1%	11,673	16.2%
Non-Aeronautical NOI	104,008	86,622	87,224	81,950	5,274	6.4%	603	0.7%

(Operating Revenue REDUCED by Federal Concessionaire Relief grants in 2023)

Non-Aeronautical Business YE

(Actual Business Performance shown before grant rent credits in prior years)

Non-Aeronautical Revenue Recovery Trend by Year (\$ in 000's)	2023	2024	2025	2025	Incr/(Decr) 2025 Forecast v. 2025 Budget		Incr/(Decr) 2025 Actual v. 2024 Actual	
	Actual	Actual	Forecast	Budget	\$	%	\$	%
Non-Aeronautical Revenues								
Public Parking	110,990	116,626	116,057	119,634	(3,577)	-3.0%	(569)	-0.5%
Rental Cars	63,460	66,271	67,795	67,197	598	0.9%	1,524	2.3%
Ground Transportation	24,878	23,946	24,705	25,901	(1,196)	-4.6%	759	3.2%
Airport Dining & Retail	85,090	75,622	73,230	76,630	(3,401)	-4.4%	(2,392)	-3.2%
Commercial Properties	20,370	21,744	22,697	32,704	(10,007)	-30.6%	953	4.4%
International Place (STOC)	-	-	12,529	-	12,529		12,529	
Non-Airline Terminal Leased Space	8,702	7,909	7,911	7,730	181	2.3%	2	0.0%
Clubs and Lounges	11,710	16,709	18,217	16,593	1,624	9.8%	1,508	9.0%
Utilities	8,666	9,578	10,838	10,838	-	0.0%	1,259	13.1%
Other Non-Aero Revenue	12,272	11,725	13,640	15,054	(1,414)	-9.4%	1,914	16.3%
Total Non-Aeronautical Revenues BEFORE grants	346,138	350,131	367,618	372,280	(4,662)	-1.3%	17,487	5.0%
less Concession Relief grants	(1,918)	-	-	-	-		-	
Non-Aeronautical Operating Revenue	344,220	350,131	367,618	372,280	(4,662)	-1.3%	17,487	5.0%
Total Enplanements	25,371	26,295	26,472	26,737	(265)	-1.0%	177	0.7%
<i>International Enplanements</i>	<i>2,869</i>	<i>3,276</i>	<i>3,556</i>	<i>3,338</i>	<i>218</i>	<i>6.5%</i>	<i>280</i>	<i>8.5%</i>
<i>International Enplanements %</i>	<i>11.3%</i>	<i>12.5%</i>	<i>13.4%</i>	<i>12.5%</i>	<i>0</i>	<i>7.6%</i>	<i>0</i>	<i>7.8%</i>
<i>O&D Enplanements</i>	<i>17,608</i>	<i>18,354</i>	<i>18,424</i>	<i>18,609</i>	<i>(185)</i>	<i>-1.0%</i>	<i>70</i>	<i>0.4%</i>

Final \$1.9M in Concessionaire Relief grant rent credits (ARPA grant) applied to qualified ADR tenants in 2023.

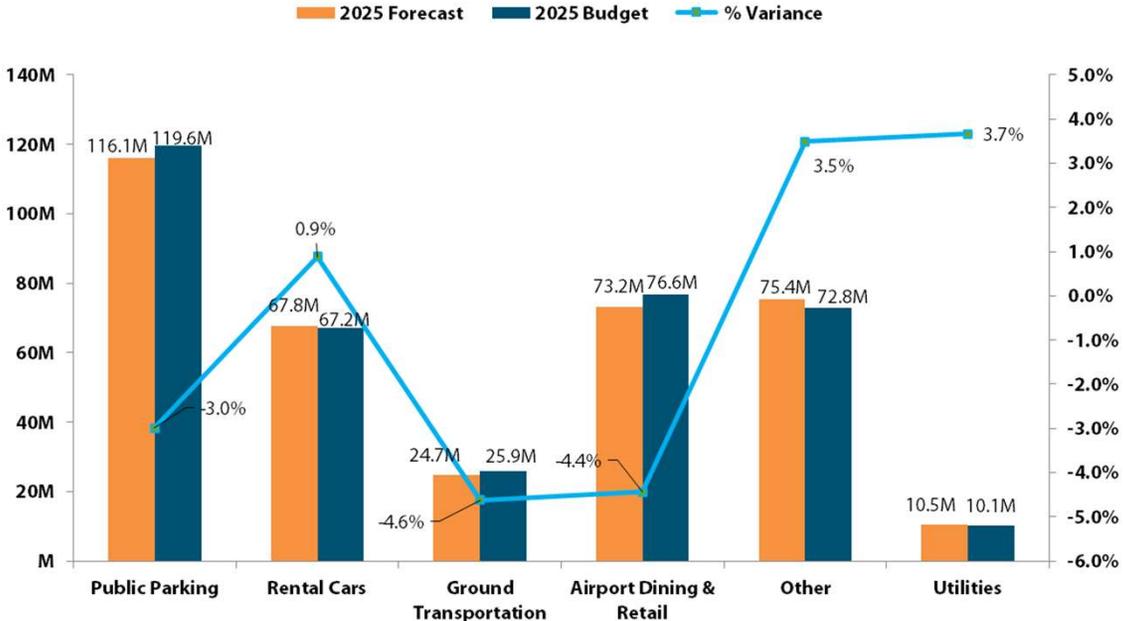
Non-Aeronautical Revenues

Forecast
\$367.6M

↓

\$4.6M
-1.3%

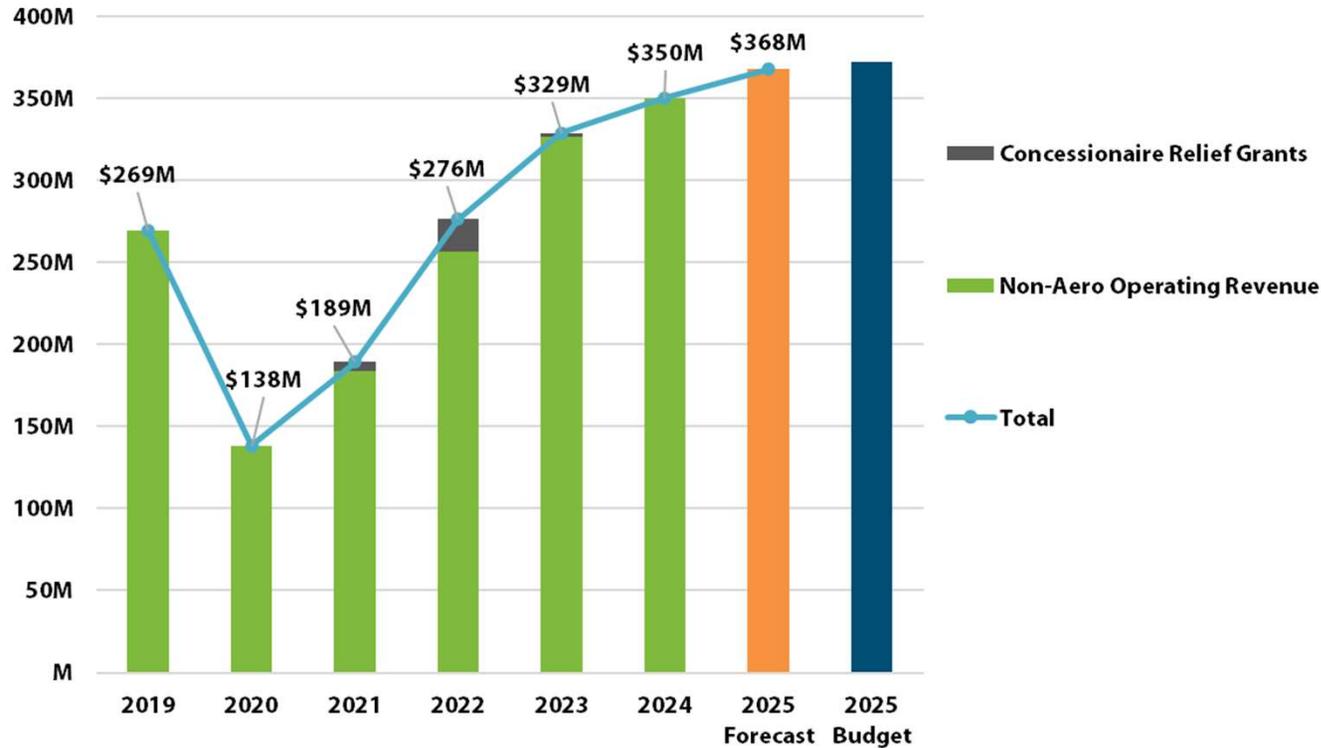
Budget
\$372.3M



Non-Aero Revenue key drivers:

- Parking revenue expected to be flat in 2025 compared to 2024 after several years of strong growth. ADR revenue growth slower than expected in the 2025 Budget due to lower enplanements and delayed opening of two tenants. Employee Parking expansion program is progressing slower than planned.
- Offset by strong performance in Flight Kitchens, Rental Cars, and Port-owned Clubs. In addition, the International Place property (STOC) acquisition closed on February 28, providing one additional month of revenue than anticipated in the budget.

Non-Aero Revenue YoY with Concessions Grant Impact

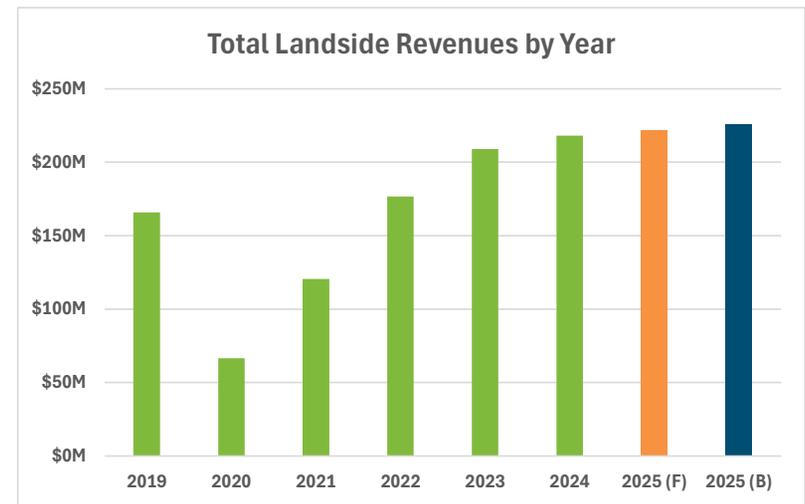
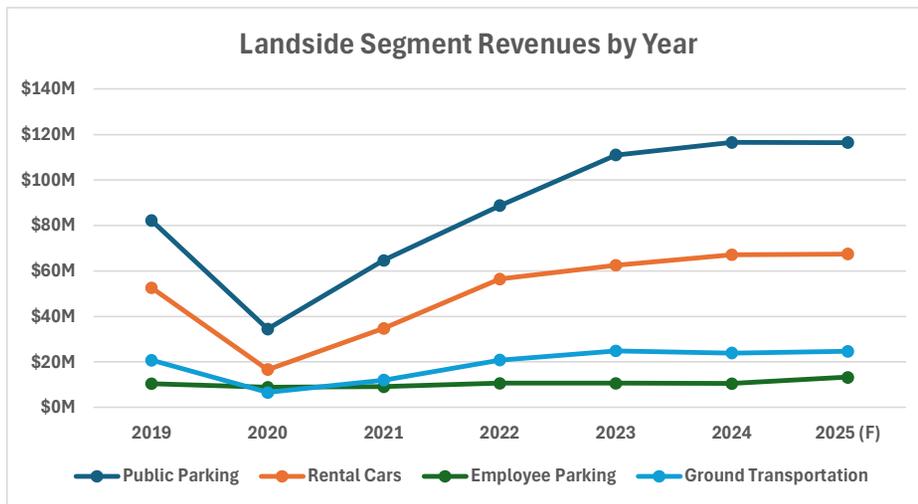


2025 Non-Aero revenue per enplanement is forecasted at \$13.89, significantly higher than pre-pandemic best of \$10.40 in 2019

Note: All Concessionaire Relief grants fully utilized in prior years

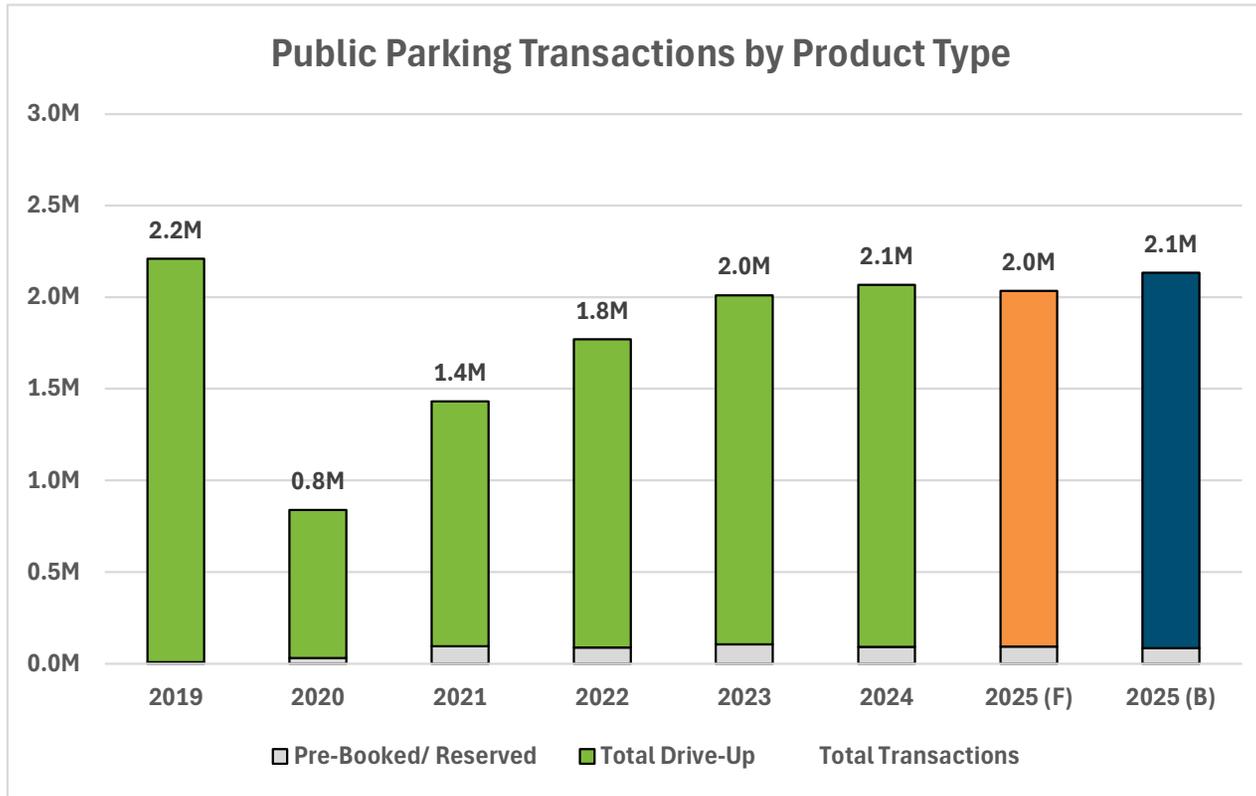
Non-Aero Detail: Landside Revenue Trends

Each individual Landside revenue segment surpassed 2019 levels in 2022, and each segment is forecasted to show 2025 flat to slightly above 2024.



Non-Aero Detail: Public Parking Transactions

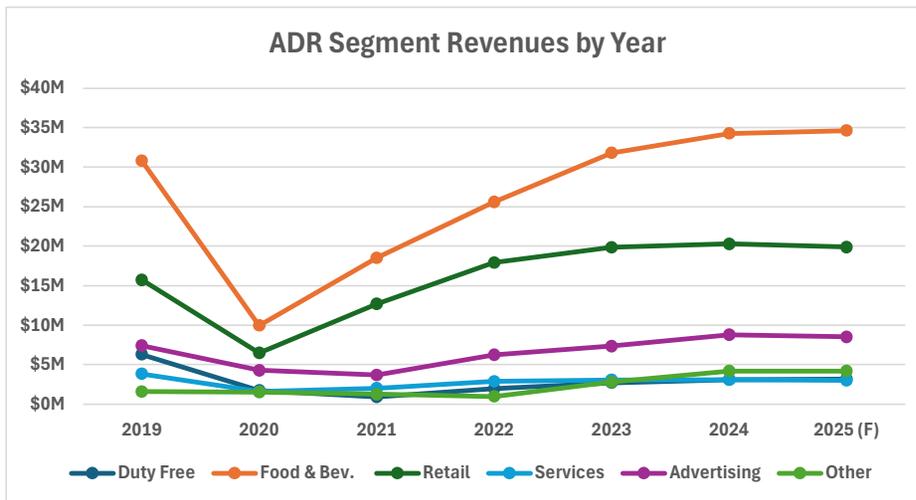
Public Parking transaction trend driven by customer preference for close-in self-parking during pandemic recovery period. 2025 annual Parking transaction growth is expected to be slightly below 2024 levels.



*Pre-Booked launched late-2019, then transitioned to the Reserved Parking Program (Floor 4 only) in March 2024

Non-Aero Detail: ADR Revenue Trends

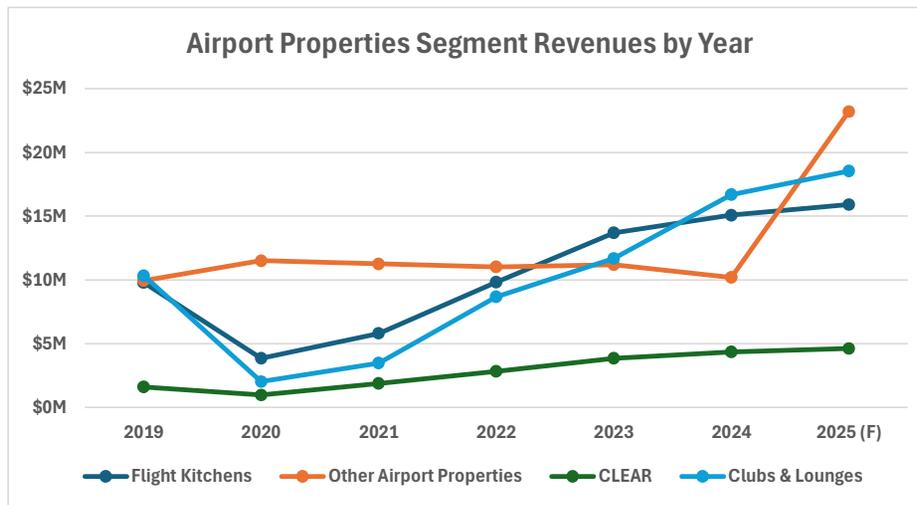
Airport Dining & Retail revenues continue to grow year over year since 2019; however, 2025 revenue growth is slower than expected in the 2025 Budget.



Non-Aero Detail: AVBP Revenue Trends

Combined Airport Business & Properties revenues surpassed 2019 levels in 2023, though with uneven recovery patterns throughout the pandemic across different segments. Growth will continue in 2025 with the addition of the International Place (STOC) property.

Revenues from CLEAR concessions and other airport leases remained more stable throughout COVID-19, while revenues from Flight Kitchens and SEA Clubs & Lounges (Concourse A & SSAT) were more impacted and had a longer recovery arc.



ADF Summary (Sources and Uses)

\$ in 000's	2025 Forecast	2025 Budget	Variance
1/1/2025 ADF Balance	\$ 739,774	\$ 703,614	\$ 36,161
Sources			
Airline Revenue before airline settlement	563,836	563,836	(0)
Non-Airline Revenue net of CFC excess	347,145	350,657	(3,512)
Non-operating Income	17,051	18,473	(1,422)
Legal Settlement for IAF & cyber outage claim	29,806	-	29,806
Total Sources of ADF	\$ 957,838	\$ 932,966	\$ 24,872
Uses			
Operating Expenses	(595,567)	(540,808)	(54,759)
Debt Service net of offsets (PFCs,CFCs, cap i)	(213,572)	(214,160)	588
2024 Airline Settlement & other adjustment	(14,000)	(10,000)	(4,000)
Capital Expenditures (net of grants)	(44,473)	(41,781)	(2,692)
Total Uses of ADF	\$ (867,612)	\$ (806,749)	\$ (60,863)
2025 Net Cashflows	\$ 90,226	\$ 126,217	\$ (35,991)
12/31/2025 ADF Balance	\$ 830,000	\$ 829,830	\$ 170

ADF target of 18-month operating expense is \$830M

- **Beginning balance was \$36M higher** due to higher non-aero revenue than 2024 forecast during 2025 budget.
- **Sources:**
 1. \$28M IAF legal settlement & \$1.8M cyber outage claims
 2. \$3.5M lower non-airline revenue & \$1.4M lower interest income collection
- **Uses:**
 1. Operating Expenses in cash basis are projected to be \$55M higher than budget mainly due cash payments for 2024 expenses.
 2. 2024 Airline settlement surplus of \$14M will credit to airlines. Credits due to IAF settlement & Pension Credit.

2025 Capital Expenditures

\$ in 000's	2025	2025	2025	2025	Bud vs. Fest	
	YTD Actual	Year-End Forecast	Budget	POF	\$	%
C Concourse Expansion ⁽¹⁾	45,784	129,189	141,052	142,789	11,863	8.4%
SEA Gateway ⁽²⁾	74,751	150,483	160,484	156,409	10,002	6.2%
Post IAF Airline Realignment ⁽³⁾	22,260	48,316	38,693	45,075	(9,623)	-24.9%
MT Low Voltage Sys Upgrade ⁽⁴⁾	7,927	16,724	23,746	26,600	7,022	29.6%
S Concourse Evolution ⁽⁵⁾	11,646	39,529	45,729	114,775	6,200	13.6%
2021-25 AFLD Pavement ⁽⁶⁾	7,007	32,299	37,083	45,430	4,784	12.9%
Building 161E Renovation ⁽⁷⁾	331	779	4,089	6,725	3,310	80.9%
Checkpoint 1 Relocation ⁽⁸⁾	7,886	9,636	12,925	10,195	3,289	25.4%
Upgrades STS Train Control ⁽⁹⁾	3,120	9,994	12,457	15,899	2,463	19.8%
Snow Storage Expansion ⁽¹⁰⁾	408	733	3,143	16,292	2,410	76.7%
All Other	204,811	402,940	427,108	623,755	24,168	5.7%
Subtotal	385,931	840,621	906,510	1,203,944	65,888	7.3%
CIP Cashflow Mgmt Reserve	-	(33,683)	(90,179)	(166,955)	(56,496)	62.6%
Total Spending	385,931	806,938	816,331	1,036,989	9,392	1.2%

- (1) Actuals costs were lower than projected for structural steel erection. Q2 2025 actual costs closely aligned with projected cost and the Contractor has achieved their planned production in June 2025.
- (2) Q2 '25 actual costs exceeded the projection by \$10M. It was assumed that 4 months of invoices would be paid, actual was 5 as contactor caught up to lag in billings. Port expects a \$13M invoice per month totalling \$150M per year (94%).
- (3) The bulk of project scope accelerated work in Q2, Q3 and Q4 2025 and include completion of PKG1 Enabling work, PKG3 Airline Relocation and PKG4 Zone 4 Ticket Counters. Mechanical Upgrades will continue through the end of 2026
- (4) Anticipating significant savings; Mortenson provided forecast for baseline and anticipated billing for entire contract, currently projecting significant savings.
- (5) Lower spending is projected primarily due to slower submission and processing of payments for AECOM and the shifting of \$3M for capital purchases from 2025 to 2026.
- (6) Due to Quantity savings on 2024 Contract 1 unit price items and unused Construction contingency.
- (7) Design delays due to scope coordination with project stakeholders, which subsequently will push out the construction timeline, as well.
- (8) Some aspects of the scope of work got pushed into a different phase (later than expected)
- (9) STS ATC 2025 cashflow EAC vs 2026 B/L cashflow Alstom projected delay in delivery/receipt of Couple Retrofit kits planned for Aug '25 now Jan '26. STS Fiber project Contractual Closeout delayed.
- (10) Construction postponed to summer 2026 to avoid the raining season.

Maritime Division Appendix

2025 Q2 Financial Performance Report



Maritime 2025 YTD Q2 Financial Summary

	2022 YTD	2023 YTD	2024 YTD	2025 YTD	2025 YTD	Actual vs. Budget Variance		Change from 2024	
	Actual	Actual	Actual	Actual	Budget	\$	%	\$	%
\$ in 000's									
Ship Canal Fishing & Operations	2,328	2,651	2,650	3,027	2,799	228	8%	377	14%
Elliott Bay Fishing & Commercial Operation	2,638	2,829	2,872	3,132	2,948	184	6%	260	9%
Recreational Boating	6,914	7,751	8,321	9,130	9,099	30	0%	808	10%
Cruise	11,258	15,437	19,027	19,994	19,732	262	1%	967	-5%
Grain	3,405	1,964	3,079	3,643	2,687	957	36%	564	18%
Conference & Event Centers	2,538	3,377	3,687	3,867	4,056	(190)	-5%	179	5%
Leasing Portfolio	9,378	10,180	11,272	11,122	12,027	(905)	-8%	(150)	-1%
Other	7	19	6	(10)	0	(10)		(16)	-263%
Total Revenue	38,467	44,209	50,915	53,905	53,348	557	1%	2,990	6%
Expenses									
Maritime Direct	16,068	16,176	18,074	20,436	21,291	855	4%	2,362	13%
Total Direct	16,068	16,176	18,074	20,436	21,291	855	4%	2,362	13%
Maintenance Expenses	8,091	8,716	9,437	9,598	9,984	386	4%	161	2%
Economic Development	981	928	1,200	1,035	861	(174)	-20%	(165)	-14%
Env & Sustainability	827	1,563	1,609	1,443	2,117	674	32%	(167)	-10%
Seaport Finance & Cost Recovery	698	880	954	1,151	1,048	(103)	-10%	197	21%
Waterfront Project Management	526	996	807	1,742	1,484	(258)	-17%	935	116%
Total Support Services	11,124	13,082	14,006	14,968	15,495	526	3%	962	7%
IT	2,048	2,312	2,585	2,805	2,566	(239)	-9%	220	9%
Police Expenses	1,680	2,365	2,893	2,568	2,641	73	3%	(325)	-11%
External Relations	1,307	1,424	1,699	1,985	1,859	(126)	-7%	286	17%
Other Central Services	5,312	5,763	6,172	6,959	7,130	170	2%	787	13%
Aviation Division / Other	260	228	239	224	292	68	23%	(15)	-6%
Total Central Services / Other	10,607	12,092	13,588	14,541	14,488	(54)	0%	954	7%
Total Expense	37,799	41,350	45,668	49,946	51,273	1,328	3%	4,277	9%
NOI Before Depreciation	668	2,859	5,247	3,959	2,075	1,885	-91%	(1,287)	25%
Depreciation	10,853	11,183	11,132	12,033	10,855	(1,178)	-11%	902	8%
NOI After Depreciation	(10,185)	(8,324)	(5,885)	(8,074)	(8,781)	707	8%	(2,189)	-37%

Variance from Budget

- Revenue \$557K favorable:
 - Grain – Higher Volumes.
 - Leasing Portfolio includes \$1.25M credit for Environments Liabilities at T106.
- Operating Exp. \$1.3M lower:
 - Direct \$855M lower – Payroll savings and tenant improvements.
 - Support Services \$526K lower– Timing of Project Spend, primarily small works.
 - Central Services \$54K unfavorable – Timing of consulting spend/invoicing.

Maritime 2025 Financial Forecast

	2022	2023	2024	2025	2025	Actual vs. Budget		Change from 2024	
	Actual	Actual	Actual	Forecast	Budget	\$	%	\$	%
\$ in 000's									
Ship Canal Fishing & Operations	4,592	5,076	5,169	5,600	5,600	0	0%	431	8%
Elliott Bay Fishing & Commercial Operations	5,975	6,564	6,602	6,010	6,010	0	0%	(592)	-9%
Recreational Boating	13,978	15,505	16,555	18,273	18,273	0	0%	1,718	10%
Cruise	30,469	41,726	43,145	50,037	50,037	0	0%	6,893	16%
Grain	5,792	3,356	5,920	5,409	5,034	375	7%	(511)	-9%
Conference & Event Centers	8,914	6,738	7,490	8,776	9,151	(375)	-4%	1,286	17%
Leasing Portfolio	19,367	20,764	21,920	22,756	24,006	(1,250)	-5%	835	4%
Other	10	10	8	4	4	0	NA	(5)	-56%
<i>Pension Revenue Adjustment</i>	<i>170</i>	<i>(90)</i>	<i>(18)</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>NA</i>	<i>18</i>	<i>NA</i>
Total Revenue	89,265	99,648	106,791	116,865	118,115	(1,250)	-1%	10,073	9%
Expenses									
Maritime Direct	33,680	37,061	36,595	42,982	42,657	(325)	-1%	6,387	17%
Total Direct	33,680	37,061	36,595	42,982	42,657	(325)	-1%	6,387	17%
Maintenance Expenses	17,021	19,317	20,832	19,981	19,581	(400)	-2%	(851)	-4%
Economic Development	1,830	2,543	2,202	2,133	2,133	0	0%	(69)	-3%
Env & Sustainability	3,356	4,028	4,992	5,336	5,136	(200)	-4%	344	7%
Seaport Finance & Cost Recovery	1,506	1,738	2,222	2,233	2,083	(150)	-7%	11	1%
Waterfront Project Management	1,235	2,313	2,945	3,210	3,060	(150)	-5%	265	9%
Total Support Services	24,948	29,939	33,193	32,893	31,993	(900)	-3%	(300)	-1%
IT	4,296	4,731	5,250	5,758	5,235	(523)	-10%	508	10%
Police Expenses	3,902	5,620	6,044	5,145	5,145	0	0%	(898)	-15%
External Relations	2,729	3,005	3,620	3,375	3,664	289	8%	(245)	-7%
Other Central Services	11,530	12,769	16,852	14,787	14,521	(266)	-2%	(2,066)	-12%
Aviation Division / Other	514	471	436	533	533	0	0%	97	22%
Total Central Services / Other	22,972	26,596	32,202	29,598	29,098	(500)	-2%	(2,605)	-8%
Total Expense before Pension Adjustment	81,600	93,596	101,991	105,473	103,748	(1,725)	-2%	3,482	3%
<i>Pension Expense Adjustment</i>	<i>(2,561)</i>	<i>3,850</i>	<i>(3,145)</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>NA</i>	<i>3,145</i>	
Total Expense	79,039	97,446	98,846	105,473	103,748	(1,725)	-2%	6,627	7%
<i>NOI excluding Pension Adjustments</i>	<i>7,495</i>	<i>6,142</i>	<i>4,818</i>	<i>11,392</i>	<i>14,367</i>	<i>(2,975)</i>	<i>-21%</i>	<i>6,573</i>	<i>136%</i>
NOI Before Depreciation	10,226	2,202	7,945	11,392	14,367	(2,975)	-21%	3,446	43%
Depreciation	21,974	22,421	23,850	21,433	21,433	0	0%	(2,417)	-10%
NOI After Depreciation	(11,748)	(20,219)	(15,905)	(10,042)	(7,067)	(2,975)	-42%	5,863	37%

Variance from Budget

- **Revenue \$2.7M favorable:**
 - Grain, higher than expected volumes offset by prior years' overbilling.
 - Conference Centers lower volumes.
 - Five months of \$250K credit at T106 ground lease unbudgeted.
- **Operating Expense \$1.7M above:**
 - Direct T91 remediation offset by lower Conference Center volumes.
 - Support Services – Payroll increases and Workers Comp.
 - Central Services – Increased Payroll.

Joint Venture Q2 2025 Financials

	2024 YTD	2025 YTD	2025 YTD	Fav (UnFav)		Incr (Decr)	
	Actual	Actual	Budget	Actual vs. Budget Variance		Change from 2024	
\$ in 000's				\$	%	\$	%
Revenue							
NWSA Distributable Revenue	29,664	32,221	29,166	3,055	10%	2,557	9%
Contra Joint Venture Revenue	(953)	(974)	(1,056)	82	-8%	(21)	2%
Subtotal Distributable Revenue from NWSA	28,711	31,248	28,110	3,137	11%	2,536	9%
Other Service Revenue Tenant Reimbursements	225	210	255	(45)	-18%	(15)	-7%
Port Revenue from NWSA Facilities	164	129	83	47	N/A	(34)	-21%
Total Revenues	29,100	31,587	28,447	3,139	11%	2,487	8.5%
Expenses							
Maintenance Expenses	291	89	256	166	65%	(202)	-69%
JV Direct	763	141	64	(76)	-118%	(622)	-82%
Security	105	174	120	(55)	-46%	70	66%
Environmental & Sustainability	400	189	168	(20)	-12%	(211)	-53%
Seaport Finance & Cost Recovery	102	164	160	(4)	-3%	62	61%
Waterfront PMG	13	43	22	(21)	-98%	30	226%
Central Services / Other	100	103	74	(29)	-39%	3	3%
Total Expenses	1,773	903	864	(39)	-5%	(870)	-49%
NOI Before Depreciation	27,327	30,683	27,583	3,100	11%	3,356	12%
Legacy Depreciation for NWSA Facilities	7,284	5,655	7,112	1,457	20%	(1,629)	-22%
NOI After Depreciation	20,043	25,028	20,472	4,557	22%	4,985	25%

Home Port Activities

Revenues:

- NWSA Distributable Revenue higher than budget due to preemptive shipping and project spending less than budget.
- Port Revenue from NWSA Facilities higher from unbudgeted T46 autos.

Expenses

- Expenses higher than budget due to \$120K bad debt expense at T46 and payroll related allocations.

Cruise 2025 Financials

\$ in 000s	2024 YTD	2025 YTD	2025 YTD	Bud Var	
	Actual	Actual	Budget	\$	%
Revenue by Facility:					
P66 Cruise	4,992	6,065	5,483	582	11%
P66 Vessel Ops	0	0	15	(15)	-100%
T91 Cruise	13,875	13,425	13,359	65	0%
Utilities	160	505	875	(371)	-42%
Total Revenue	19,027	19,994	19,732	262	1%
Dept Expenses:					
Staff	457	546	565	19	3%
Outside Services	228	65	441	376	85%
General Expenses	1,114	1,204	1,200	(4)	0%
Equipment & Supplies	30	410	493	82	17%
Utilities	161	442	902	459	51%
Support Services:					
Maintenance	2,102	1,653	1,665	12	1%
Environmental	374	298	549	251	46%
PMG	223	535	391	(145)	-37%
Planning	118	103	244	141	58%
Economic Development	40	225	161	(64)	-40%
Police/Security	1,144	1,043	1,136	93	8%
Other/Central Services	4,064	4,872	5,030	158	3%
Total Expense	9,598	10,850	12,210	1,360	11%
NOI Before Depreciation	9,428	9,144	7,522	1,622	22%
Depreciation	2,932	3,521	2,543	978	38%
NOI After Depreciation	6,496	5,623	4,979	644	13%

Variance from Budget

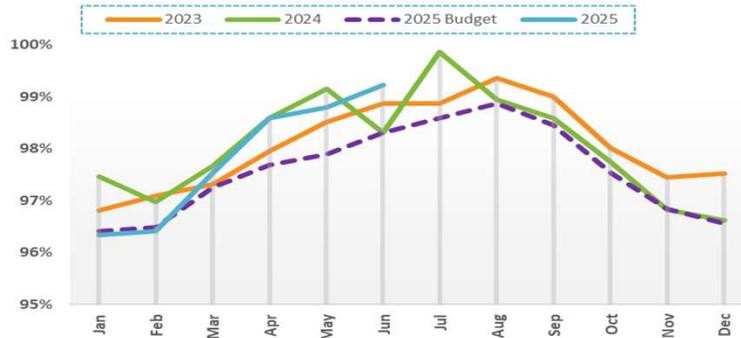
- **Revenue \$262K Higher**
 - Average occupancy ~104% as budgeted
- **Expenses \$1.36M Lower**
 - Outside Services - \$376K
 - Port Valet billing timing
 - Utilities - \$459K
 - P66 electricity for shore power

Variance from 2024

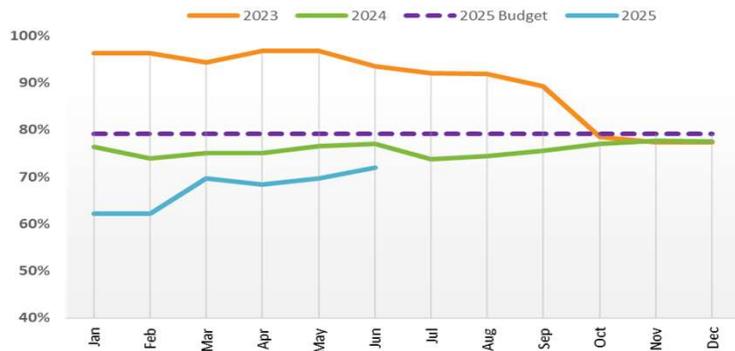
- **Revenue \$967K Increase**
 - 2025 revenue higher due to rate escalations & total passengers 65K higher
 - Addition of Queen Elizabeth
- **Expenses \$1.25M Increase**
 - Additional FTE
 - 1st year with P66 shore power utilities

Recreational Boating Occupancy

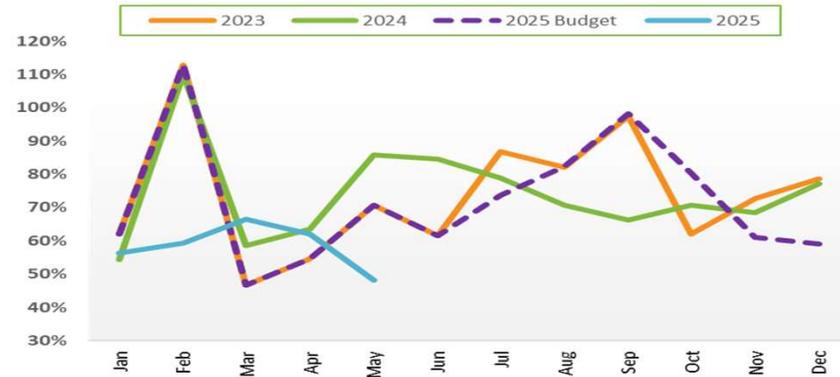
Occupancy at Shilshole Bay Marina



Occupancy at Harbor Island Marina



Occupancy at Bell Harbor Marina



	BUD	2025	2024	Act vs Bud	'25 vs '24
SBM Occupancy	97.3%	97.8%	98.0%	0.48%	-0.21%
BHM Occupancy	68.1%	58.7%	76.2%	-9.39%	-17.44%
HIM Occupancy	79.1%	67.3%	75.7%	-11.77%	-8.33%
Total Recreational Marinas	81.5%	74.6%	83.3%	-6.89%	-8.66%

Recreat

Sh

Ship Canal Fishing & Operations

\$ in 000s	2024	2025	2025	Bud Var	
	Actual	Actual	Budget	\$	%
Revenue by Facility:					
FT Commercial	1,484	1,590	1,564	26	2%
FT Rec Boating	409	515	454	62	14%
Salmon Bay Marina	545	592	613	(20)	-3%
Maritime Industrial Center	57	117	58	60	104%
Utilities	155	212	111	101	91%
Misc Revenue	0	0	0	0	NA
Total Revenue	2,650	3,027	2,799	228	8%
Dept Expenses:					
Staff	664	733	760	27	4%
Outside Services	16	11	15	5	30%
General Expenses	144	374	96	(279)	-291%
Equipment & Supplies	13	14	39	24	63%
Utilities	482	456	464	9	2%
Support Services:					
Maintenance	1,020	1,326	1,370	44	3%
Environmental	346	207	166	(41)	-25%
PMG	112	130	339	209	62%
Planning	28	37	63	26	41%
Economic Development	10	58	41	(16)	-40%
Police/Security	310	320	301	(19)	-6%
Other/Central Services	1,675	2,042	2,101	58	3%
Total Expense	4,157	4,976	4,995	19	0%
NOI Before Depreciation	(1,507)	(1,948)	(2,196)	248	-11%
Depreciation	1,176	1,268	1,213	55	5%
NOI After Depreciation	(2,683)	(3,216)	(3,409)	193	-6%

Vs. Budget

Revenue \$228K Higher

- \$100K higher in electricity sales
- Moorage revenue \$114K higher due to higher occupancy at FT Rec Boating and MIC
- Increases offset by decreased use of SaBM

Expenses \$19K Lower

- General expenses \$279K higher- increased bad debt from cyberattack
- PMG costs \$209K lower – MIC & FT pile replacement project budgeted

Vs. 2024

Revenue \$149K Higher

- Increase in revenue as some fishing vessels stayed longer for repairs
- Rate increases
- The Ballard Lock was also closed for two extra days in Q1 2025

Expenses \$819K Higher

- \$367K in increases Central Services/Other
- \$306K increase in Marine Maintenance - \$185K in allocations
- \$279K bad debt expenses higher due to cyberattack

Elliott Bay Fishing & Commercial

\$ in 000s	2024	2025	2025	Bud Var	
	Actual	Actual	Budget	\$	%
Revenue by Facility:					
T91 Fishing	1,341	1,525	1,363	162	12%
T91 Vessel Ops	303	202	325	(123)	-38%
Kellogg Island	224	235	234	1	0%
T25 Docks	205	211	211	0	0%
T18 Dolphins	140	166	124	42	34%
P34 Dolphins	88	166	126	40	32%
Other (P69, P2, T108)	233	291	179	113	63%
Utilities	338	335	386	(50)	-13%
Total Revenue	2,872	3,132	2,948	184	6%
Dept Expenses:					
Staff	390	369	413	44	11%
Outside Services	0	8	10	1	14%
General Expenses	(56)	109	53	(56)	-107%
Equipment & Supplies	1	3	9	6	62%
Utilities	689	563	496	(67)	-14%
Support Services:					
Maintenance	733	779	792	13	2%
Environmental	524	762	111	(651)	-586%
PMG	58	169	112	(57)	-51%
Planning	36	60	54	(7)	-13%
Economic Development	10	50	36	(14)	-40%
Police/Security	371	323	324	1	0%
Other/Central Services	960	1,246	1,221	(25)	-2%
Total Expense	3,715	4,442	3,630	(812)	-22%
NOI Before Depreciation	(843)	(1,310)	(682)	(628)	92%
Depreciation	1,647	1,740	1,657	82	5%
NOI After Depreciation	(2,490)	(3,050)	(2,339)	(710)	30%

Vs. Budget

Revenue \$184K Higher

- T-91 Fishing operations
 - \$162K higher from a delayed start in the Hake fishery and extended vessel repairs
- T-91 Vessel Operations
 - Foss lease revenue budgeted at \$19K per month for T-91 Vessel Ops is being recorded at T-46 at the tariff rate until the lease remains unsigned

Total Expenses \$812K Higher:

- \$628K related to reserve for environmental remediation payment
- \$56K bad debt expenses in general expenses from cyberattack
- Increased PMG expenses for the Dock Rehabilitation Project at T-91

Vs 2024

Revenue \$260K Higher

- Rate increases
- More spot usage for repairs

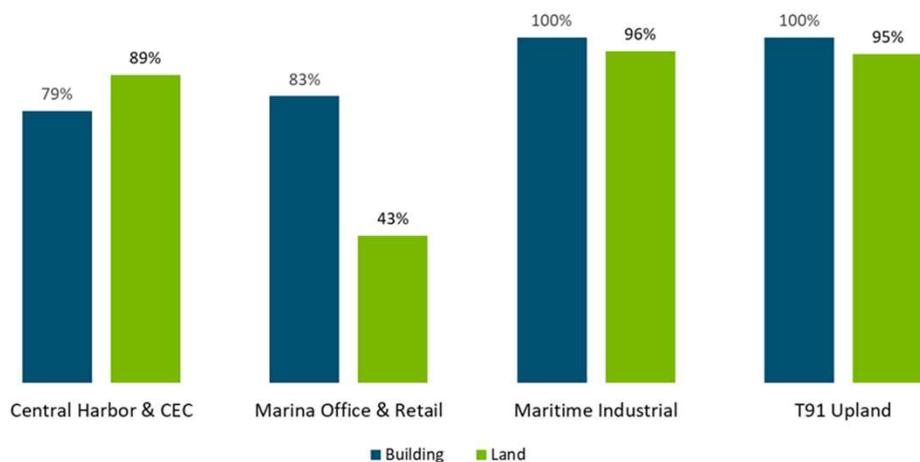
Expenses \$727K Higher

- 2025 increase due to T91 environmental remediation payment, bad debt, and T91 dock rehab

All Portfolio Management Occupancy

June 2026

2025 Q2 Occupancy (%)



New tenants at both WTCW and FT with leases beginning second half.

Total Available SF		905,613		
Building	SF Occupied	SF Vacant	% Occupied	
CEC	69,915	-	100%	
Central Harbor	220,137	76,839	74%	
Marina Office & Retail	168,287	34,572	83%	
Maritime Industrial	271,370	-	100%	
T91 Upland	64,493	-	100%	
Total	794,202	111,411		

Total Available SF		3,398,519		
Land	SF Occupied	SF Vacant	% Occupied	
Central Harbor	1,235,239	143,173	90%	
Marina Office & Retail	152,001	204,297	43%	
Maritime Industrial	1,194,194	50,000	96%	
T91 Upland	399,615	20,000	95%	
Total	2,981,049	417,470		

Portfolio Management

\$ in 000s	2024 Act	2025 Act	2025 Bud	Bud Var	
				\$	%
Revenue by Facility:					
Marina Office & Retail	1,724	1,788	1,718	70	4%
Maritime Industrial	3,137	2,747	4,122	(1,375)	-33%
Central Harbor & FTZ	5,006	4,349	4,688	(339)	-7%
Conference Event Centers	3,639	3,812	3,997	(185)	-5%
Utilities	1,453	2,293	1,558	735	47%
Total Revenue	14,959	14,989	16,083	(1,094)	-7%
Dept Expenses:					
Staff	991	1,080	1,156	76	7%
Outside Services	437	102	429	327	76%
General Expenses	4,179	4,454	4,736	281	6%
Equipment & Supplies	34	50	129	78	61%
Utilities	2,229	2,177	1,939	(238)	-12%
Support Services:					
Maintenance	3,638	3,588	3,722	134	4%
Environmental	246	135	370	236	64%
PMG	255	685	440	(245)	-56%
Planning	143	357	630	273	43%
Police/Security	981	1,097	1,120	23	2%
Other/Central Services	5,892	5,969	5,609	(360)	-6%
Total Expense	19,025	19,695	20,280	585	3%
NOI Before Depreciation	(4,066)	(4,706)	(4,196)	(509)	12%
Depreciation	3,351	3,265	3,338	(73)	-2%
NOI After Depreciation	(7,417)	(7,970)	(7,534)	(436)	6%

Overall Occupancy

- Overall occupancy 88%: Building 88%, Land 88%

Vs. Budget

Revenues \$1.1M Lower

- Environmental cost credit to TC Northwest (\$1.25M)
- Less monthly parking at Bell Street Garage due to payment delay and a company reducing parking subsidy
- Partially offset by \$735K higher in utilities due to accruals numbers being reflected in the reports. We are still catching up with the 2025 utility billing.

Expenses \$585K Lower

- Unspent Tenant Improvements and Broker Fees at FT and SBM
- CEC reduced business volume led to lower operating costs

Vs. 2024

Revenue \$30K Higher

- Higher utility revenue partially offset by lower revenue at WTCW (lower occupancy) and at T106 (Env cost credit)

Expense \$669K Higher

- CEC increased business volume led to higher operating costs
- PMG's Outside Services for projects at MIC and P66

Highlights for Upcoming Quarters

- New tenants at WTCW and FT
- Seafair, parking revenue at P2

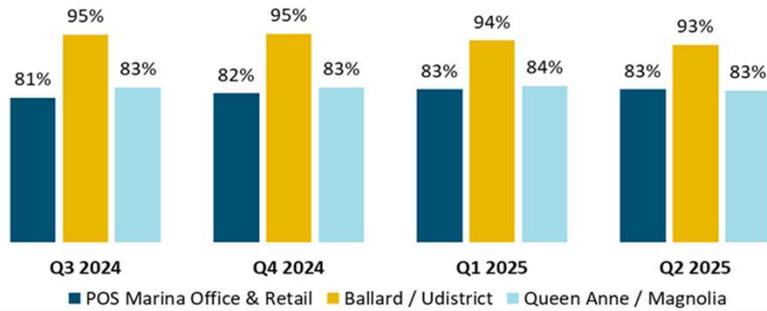
Stormwater Utility Tracking to Budget Q02

\$ in 000's	2023 YTD	2024 YTD	2025 YTD	2025 YTD	Actual vs. Budget		Change from 2024	
	Actual	Actual	Actual	Budget	Variance		\$	%
					\$	%		
Revenue								
NWSA	539	694	447	567	(120)	-21%	(247)	-36%
Tenants Revenue	2,115	2,131	2,530	2,586	(57)	-2%	399	19%
Port Non-tenants Revenue	862	814	932	932	0	0%	118	15%
Total Revenues	3,516	3,639	3,909	4,086	(176)	-4%	270	7%
Expenses								
SWU	701	816	916	1,215	299	25%	101	12%
Port Non-tenants Taxes	465	521	734	628	(106)	-17%	213	41%
Maintenance Expenses	1,826	2,082	2,358	2,480	122	5%	276	13%
Central Waterfront PM	16	35	37	20	(17)	-85%	1	4%
Environmental & Sustainability	15	22	74	16	(58)	-359%	52	240%
Environmental Finance	6	25	39	41	2	5%	14	53%
Other Central Services	-	-	-	-	-	NA	-	NA
Total Expenses	3,029	3,501	4,158	4,401	243	6%	657	19%
NOI Before Depreciation	487	138	(248)	(315)	67	-21%	(386)	-280%
Depreciation	624	621	666	679	13	2%	45	7%
NOI After Depreciation	(138)	(483)	(914)	(994)	80	-8%	(431)	89%

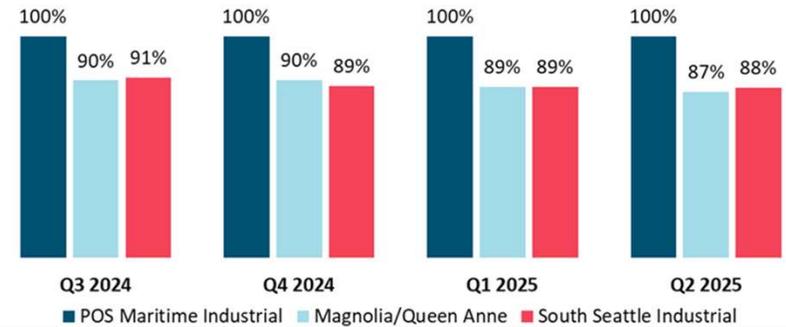
Expenses are under due to timing of outside services spend and consultant costs for regulatory strategy work

All Portfolio Management Market Statistics

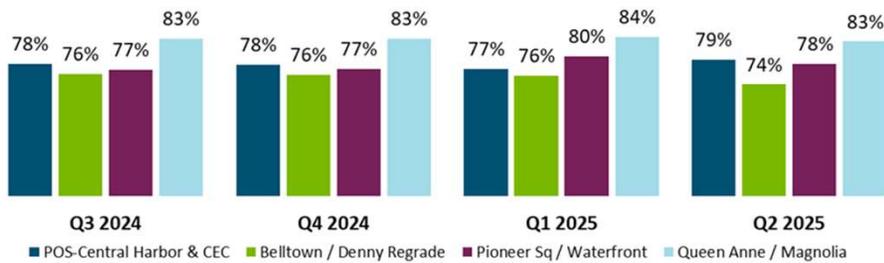
Marina Office & Retail Building Occupancy Rate (Office)



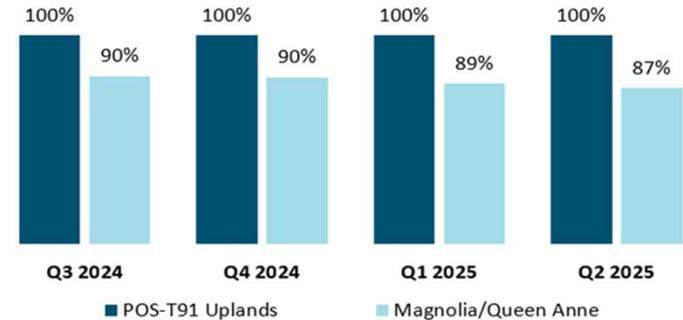
Martime Industrial Building Occupancy Rate (Industrial)



Central Harbor Management Building Occupancy Rate (Office)



T-91 Uplands Building Occupancy Rate (Industrial)



Waterfront PM

Waterfront Project Management

\$ in 000s	YTD 2024	YTD 2025	YTD 2025	Bud Var F/(U)	
	Actual	Actual	Budget	\$	%
Expenses					
Payroll	3,279	3,716	3,727	10	0%
Outside Services	421	1,229	611	(617)	-101%
Travel & Other Employee Exp	22	27	60	33	55%
Charges to Capital	(1,803)	(2,164)	(2,192)	(27)	1%
Other / OH Allocations	(82)	242	38	(204)	-537%
Total Expenses	1,838	3,049	2,244	(805)	-36%

Major Variances:

- Payroll Variance - As of end of Q2, there were 4 vacant positions. The variance is lower than expected due to the compensation changes.
- Charges to Capital – S&B less than projected due to vacant position and a higher charge to OH subclass.
- Outside Services – SMWKS contracts budgeted in Org 6260 have a positive variance, some projects postponed or moved to Large Capital team; some cancelled and new projects assigned. However, the WPM Expense projects \$541K were not budgeted in Org 6260 for 2025, creating a negative variance.
- Other/OH Allocations - Negative variance due to OH Allocation, the OH allocation will be adjusted and 0ed out.

Key Project Milestones:

- T5 Berth Modernization: Closed claim and settled litigation with general contractor Orion Marine.
- T5 Container Yard Expansion: Completed 30% design.
- T91 Uplands Redevelopment: Awarded Progressive Design Build contract with Hoffman Construction.
- T91/P66 Cruise Shore Power Extension: Issued Request for Proposal for progressive design builder.
- T18 Pile Cap Repairs: Advertised major construction contract.
- P66 Grand Staircase: Issued Notice of Intent to Award construction contract.

Marine Maintenance

\$ in 000's	2024 YTD	2025 YTD	2025 YTD	Bud Var	
	Actual	Actual	Budget	\$	%
Reimbursable Revenue					
JV	225	210	254	45	-18%
MD	162	134	141	7	-5%
Total Revenue	386	344	396	52	-13%
Labor					
Staff	7,630	8,696	8,332	(364)	4%
Equipment & Supplies	1,374	1,120	1,430	311	-22%
Outside Services	203	143	264	122	-46%
Utilities	169	150	107	(43)	40%
General Expenses	83	(143)	1	144	-22162%
Other Expenses	(106)	(84)	(22)	61	272%
SWU	1,440	1,549	1,697	147	-9%
Facilities	1,007	1,293	1,056	(237)	22%
BOST	998	1,155	1,073	(82)	8%
Fleet	1,517	1,481	1,857	376	-20%
Admin	177	85	480	395	-82%
Total Expense	14,492	15,444	16,274	830	-5%
Depreciation	704	943	773	(171)	22%
NOI after Depreciation	(14,810)	(16,043)	(16,651)	(607)	-4%

Variance from Budget

Reimbursable Revenue:

- JV is over at CT18 78% \$53K.
- Maritime is on target.

Expenses

- Labor: Additional \$500K to Workers Comp Self Insurance
- Facilities: \$186K over. Outside Service contracts not budgeted in current year (Elevator, Pest Control, FLS Monitoring). Includes P69 contracted services.
- Fleet: Savings in Fuel due to state pricing
- Admin: Vacant Director Position

Variance from 2024:

Revenue:

- T25&T30 Vacated by SSA

Expenses:

- Increase cost in Outside Service Contracts and Workers comp funding to self insurance.

Maritime Management Admin

\$ in 000's	2024	2025	2025	Under (Over) Budget	
	YTD	YTD	YTD	Variance	
	Actual	Actual	Budget	\$	%
Salaries & Benefits	357	374	616	242	39%
Outside Services	37	54	15	(39)	-250%
Travel & Other Employee Exp	58	40	82	42	51%
Equipment Expense	3	19	0	(19)	NA
General Expenses	(7)	2	0	(2)	NA
Supplies and Stock	1	1	1	(0)	-5%
Promotional Expenses	3	(4)	7	11	157%
All Other Expenses	5	3	6	3	44%
Total Operating Expense	457	490	728	238	33%

Major Variances:

Operating Expense: **\$238K/33%** underspent

- **Salaries & Benefits: \$242K** underspent due to Chief Development Officer (CDO) position being unfilled during part of Q2.
- **Travel & Other Employee Exp: \$42K** unspent budget due to the Managing Director not attending the Singapore Maritime Week, Port Authority Roundtable, and the international executive trip.
- **Promotional Expenses: \$11K** unspent budget for sponsorships expenses that have not been paid. This expense is expected to balance in the second half of the year.
- **Outside Services: (\$39K)** overspent Non-Architectural & Engineering Services provided by Lumiere Group for more time on contract to complete the Maritime Art Program strategy.

Maritime Planning

\$ in 000's	2024	2025	2025	Under (Over) Budget	
	YTD Actual	YTD Actual	YTD Budget	Variance \$	%
Salaries & Benefits	343	477	506	29	6%
Equipment Expense	6	0	11	10	96%
Supplies and Stock	1	0	1	0	18%
Outside Services	1	6	350	344	98%
Travel & Other Employee Exp	0	5	9	3	39%
Promotional Expenses	0	0	0	0	NA
General Expenses	0	0	0	0	99%
All Other Expenses	1	2	2	(0)	-1%
Total Operating Expense	352	491	879	387	44%

Projects	2025 Actuals
N10536 Elliott Bay Dolphin Program	6,442
N10527 MMSO Fleet & SWU Facility	103,812
N10428 Elliott Bay Connections	87,450
N10415 T91 Master Planning	23,702
N00030 WDFW Elliott Bay Fishing Pier	3,079
N00031 T91 West Gate Redesign	3,079
N99922 MD Policy Advocacy	7,925
	235,490

Major Variances:

Operating expense **\$387K/44%** underspent

- **Outside Services: \$344** underspent in Personal services due to capacity and time to build-out Strategic Planning/Policy program.
- **Salaries & Benefits: \$29K** underspent due to vacant Innovation Manager position.
- **Equipment Expense: \$10K** underspent, budget is for laptop, cell phone and chair for Innovation Manager position.

Maritime Environment & Sustainability

Maritime Environmental & Sustainability

\$ in 000s	YTD 2024	YTD 2025	YTD 2025	Bud Var F/(U)	
<i>Expenses</i>	Actual	Actual	Budget	\$	%
Payroll	2,591	3,134	2,777	(357)	-13%
Outside Services	306	42	475	433	91%
Travel & Other Employee Exp	57	52	119	67	56%
Charges to Capital	(839)	(708)	(1,013)	(305)	30%
Other / OH Allocations	35	(745)	64	809	1259%
Total Expenses	2,150	1,776	2,423	647	27%

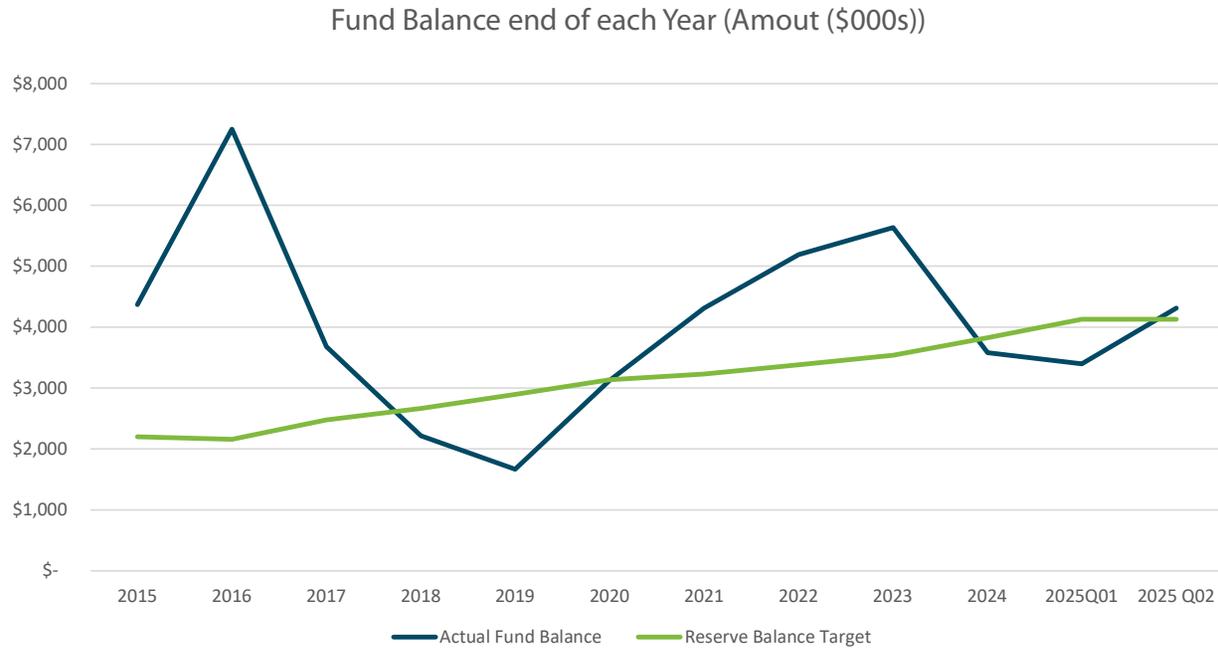
Major Variances:

- **Salaries & Benefits:** (407K) unfavorable due to comp project adjustments.
- **Charges to Cap/ERL 305K** unfavorable due to reduced charging to Cap/ERL projects including late hiring of a 100% capital FTE.
- **Outside Services** 433K favorable due to timing. Several consultant invoices are delayed.

Key Project Milestones:

- Completed ports Chapter of PNW2AK Green Corridor Feasibility Study RE: methanol storage, transport, and bunkering
- Continued spending on EPA Clean Ports Planning Grant and completed sub-recipient agreements with nearly all grant subrecipients
- Kicked off the Sustainable Maritime Fuels Collaborative, a regional cross-sector initiative led by WA Maritime Blue and to which the Port is contributing seed funding in 2025 to support consultant costs for organization planning and meeting facilitation
- Earth Day, staff contributed to family-friendly Earth Day event at Airport Concourse A, highlighting oyster shell stormwater treatment barrels and kelp restoration with a visit by Olive the Orca
- Developed SEPA for T18 shorepower project
- Submitted the revised EE/CA in May to EPA for the T25 S cleanup
- Executed 3 new IDIQ contracts (\$3M ea for 5 yrs) to support remediation, due diligence, and capital projects with ERL.
- Continued work to support cost-recovery claims
- Partnering with Cruise Team on Long Term Agreements negotiations – specifically enviro and decarb elements

Maritime SWU Fund Balance



Reserve fund target 50% of budgeted revenue

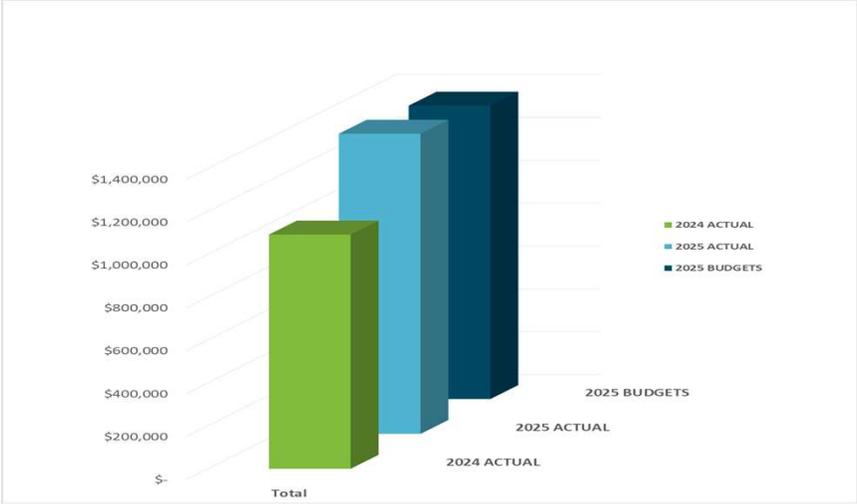
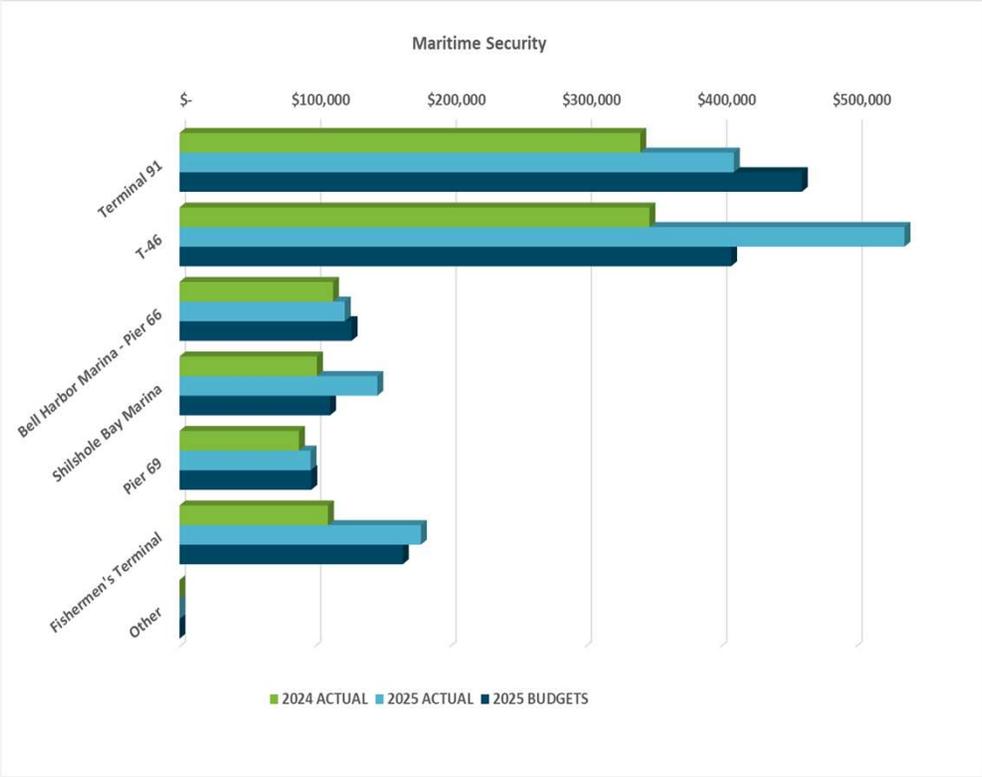
Minimum Reserve Target 183 days of O&M or 6mo revenue \$3,736,453

Business Highlights Marine SWU

Marine Stormwater Utility

- Stormwater Utility Strategic Plan - gathered input from stakeholders and completed development of major recommendations for a 2026 update to the 2021-2025 Strategic Plan and provided briefings to Div leadership
- Submitted application for recognition of Stormwater Utility and our Strategic Planning work to International Association of Ports and Harbors environmental/sustainable awards program
- Prepared for and conducted first (of 3 in 2025) stormwater utility advisory meeting with Port and NWSA executives to review accomplishments and draft budget and capital planning ahead of rate analysis process
- Completed 2025 rate changes and tenant and NWSA billings to wrap up recovery from post cyberattack
- Continued close coordination and cooperation with NWSA on stormwater permitting, especially industrial stormwater general permit draft to final and associated stormwater legal activity

Maritime Security



Variance from Budget

- The YTD actual expenses are approximately \$121K higher than the budget due to additional security services requested by NWSA at T-46.

Variance from 2024

- In 2025, 15% rate increase, along with additional security services requested at T46, T91, FT, and SBM, resulting in a \$397K increase.

Maritime Capital

	2025 Actual	2025 YE Forecast	2025 Budget	2025 POF	Budget vs Forecast	
					\$	%
\$ in 000's						
T91 Berth 6 & 8 Redev	26,266	53,863	45,903	59,766	7,960	17%
FT Maritime Innovation Center	6,410	16,740	16,832	22,675	(92)	-1%
MIC Electrical Replacements	1,736	3,678	3,678	9,640	0	0%
T91 New Cruise Gangway	985	3,235	3,220	6,402	15	0%
Bell St Parking Garage Imrov	406	1,906	2,115	2,658	(209)	-10%
P90/P91 E Term Emerg Repair	1,978	2,043	1,899	0	144	8%
FT Site Improvements	272	1,920	1,860	1,432	60	3%
Elliott Bay Connections (EBC)	14	956	1,145	1,145	(189)	-17%
P66 Fender Replacement	1,615	1,635	1,055	3,070	580	55%
Waterfront LED Lighting	30	605	1,021	650	(416)	-41%
Fleet	888	3,701	3,660	3,800	41	1%
All Other Projects	6,858	22,343	23,251	52,636	(908)	-4%
Subtotal	47,458	112,625	105,639	163,874	6,986	7%
CIP CashFlow Mgt	0	(9,611)	(15,812)	(32,175)	6,201	-39.2%
Total Maritime	47,458	103,014	89,827	131,699	13,187	15%
% of Capital Budget	53%	115%				

Projects with Significant Variances

T91 Berth 6&8 – Increase in 2025 due to change orders related to seawall/other unexpected site conditions. Assumed 50% use of contingency but now closer to 80%

P66 Fender Replacement – Project is on schedule and budget. Additional costs reflect the inclusion of a barge impact assessment.

Waterfront LED Lighting – Common space projects underway, but tenant space projects delayed for additional development.

All Other Projects – MD Video Camera Project procurement of HW pushed out to 2026, engagement with PCS slower than anticipated.

Economic Development Division Appendix

2025 Q2 Financial Performance Report



Economic Development Highlights

- **City Partnership Grant Program** moving back to a two-year cycle, application deadline extended to September 26 with matching payments expected late Q3 & Q4. Hosted four application workshop and executed five contracts,. Promotional Hosting coming up in Q3-Q4 for in person and webinars to communities participating in the program. Community Business Connector program scaling back funding and working with King County for alignment.
- **Real Estate** Des Moines Creek west project underway, EV charging stations on Maritime Pier 2 property going to commission in September and new design program for T91 Uplands project.
- **Tourism** industry experiencing a decrease in international travel to U.S., SEA new international routes, creating new marketing material and Tourism Marketing Support Program (TMSP) will be the two-year cycle in the second half of the year with a \$550K of matching grants budgeted. Continuation with State of Washington and other tourism contracts.
- **Lower Duwamish Hub** (non-payroll)) of \$175K still sponsored by the Economic Development Division. Most going to either the Environmental Tax Levy or the Maritime Habitat Initiatives.
- **Diversity in Contracting's** new 5-year goals passed by Commission. 16% going to MWBE, first sub-goal on construction of 14%, small businesses in construction industry desire for prompt payments from port, standing up limited public works to 150K and working with CPO to adjust Professional Services Cat I from 500K to 1M.

EDD Admin

\$ in 000's	2024	2025	2025	Under (Over) Budget	
	YTD	YTD	YTD	Variance	
	Actual	Actual	Budget	\$	%
Salaries & Benefits	406	347	378	31	8%
Outside Services	373	310	303	(7)	-2%
Travel & Other Employee Exp	8	34	39	5	14%
Promotional Expenses	28	19	19	0	1%
Equipment Expense	3	4	3	(1)	-47%
Supplies and Stock	0	3	0	(2)	-456%
General Expenses	(1)	3	0	(3)	NA
All Other Expenses	1	(1)	2	4	158%
Total Operating Expense	819	718	744	26	3%

Major Variances: Operating Expense \$26K/3% underspent.

- **Salaries & Benefits:** \$31K underspent due to salary budgeted for previous director.

Real Estate Development & Planning

Major Variances: Operating Expense: \$344K/79% underspent

- **Outside Services:** \$290 underspent
 - **EDD**
 - CoStar subscription services expense \$5K
 - Lawrence Stokes Attorney fees: \$3K
 - Magellan Space Planning \$4K
 - Bluebeam & Adobe Acrobat Pro \$400
 - Total 13K**
 - **AV**
 - Landrum & Brown: Planning Services \$54K, NERA 1 Development Alternatives \$8K
 - Heartland: Acquisition support services \$35K
 - Kidder Matthew: General Appraisal Services \$24K, WSDOT Land Swap appraisal \$4K
 - CBRE Valuation & Advisory Services \$12K
 - Total \$123K**
- **Salaries & Benefits:** \$34K underspent due to vacant RE Planning Specialist position.
 - AV \$66K underspent
 - EDD (\$34K) Over budget
- **Equipment Expense:** \$4K underspent due to no requests for Computer, Telephones or Software.
- **Travel & Other Employee Expenses:** \$17K underspent due to very little travel or training expenses to report.

				Real Estate Dev & Plann	

EDD Small Business (Diversity in Contracting)

	2024 YTD	2025 YTD	2025 YTD	Under (Over) Budget Variance	
\$ in 000's	Actual	Actual	Budget	\$	%
Salaries & Benefits	632	853	813	(40)	-5%
General Expenses	58	48	34	(13)	-38%
Travel & Other Employee Exp	16	20	30	10	33%
Outside Services	93	13	239	226	94%
Promotional Expenses	16	12	48	35	74%
Equipment Expense	1	2	5	3	59%
Supplies and Stock	2	0	2	1	73%
All Other Expenses	5	3	5	2	40%
Total Operating Expense	823	952	1,176	224	19%
Outside Services by Account					
64150 Personal Services	93	13	208	196	94%
64350 Outside Temp Clerical/Admin	0	0	0	0	NA
64370 Other Contracted Services	0	0	31	31	100%
All Other	1	1	0	(1)	NA
Total Outside Services	93	13	239	226	94%

Major Variances: Operating Expense: \$224K/19% underspent

- **Outside Services:** \$226K underspent, contract expenses expected during 3rd & 4th quarter.

Tax Levy Budget

- Business Accelerator \$76K and PortGen Advanced \$26K expenses will occur late 3rd/4th quarter.
- Highline Small Business Development Center has a MOU multi-year contract over 3 years through 2027. Invoice in process reflects work performed during contract year mid-2024 through mid-2025. The \$60K budget was spread evenly for the year, YTD there is \$26K available for this line item, it will balance at yearend.

EDD Tax Levy Budget

- DBE/ACDBE/WMBE Training Consultants & Outreach \$26K.
- **Promotional Expense:** \$35K underspent due to no spending on Trade Business and Community expenses with Alliance NW (Thurston County), Association of Woman and Minority Businesses (AWMB), Ethnic Chambers, Events: WMBE/Chamber Community Connections, and others will occur later in the year.
- **Travel & Other Employee Expenses:** \$10K underspent due to Memberships expected to renew later in the year and budget for travel/training to AMAC conference that is no longer happening this year. Some travel/training related expenses to occur later in the year.
- **General Expenses:** \$13K overspent due to paying Advertisement invoices a month in advanced rather than one time per month.

EDD Tourism

\$ in 000's	2024	2025	2025	Under (Over) Budget	
	YTD Actual	YTD Actual	YTD Budget	Variance \$	%
Salaries & Benefits	307	331	309	(22)	-7%
Outside Services	151	294	380	86	23%
General Expenses	27	45	44	(2)	-3%
Promotional Expenses	34	42	52	10	19%
Travel & Other Employee Exp	37	36	48	12	25%
Equipment Expense	0	7	1	(6)	-698%
Supplies and Stock	0	0	1	0	15%
All Other Expenses	2	1	2	1	42%
Total Operating Expense	558	757	837	79	9%

Major Variances: Operating Expense: \$79K/9% underspent

- **Outside Services:** \$86K underspent due to Creative Services RFP in process, no payments thus far.
 - EDD Tax Levy: \$29K underspent. Tourism grants are paid out as final reports are submitted. Some participants requested extensions which will result in grants being paid during Q3 & Q4.
- **Travel & Other Employee Expenses:** \$12K underspent due to expenses for June travel moving through the Concur process and some events rescheduled from Q2 to Q3 & Q4.

Central Services Appendix

2025 Q2 Financial Performance Report



Central Services YTD Financial Highlights

	2023 YTD	2024 YTD	2025 YTD	2025 YTD	Actual vs. Budget		Change from 2024	
	Actual	Actual	Actual	Budget	Variance		Incr (Decr)	
\$ in 000's					\$	%	\$	%
Total Operating Revenues	290	145	119	53	66	123.9%	(25)	-17.6%
Core Central Support Services	51,219	59,083	62,009	61,799	(211)	-0.3%	2,926	5.0%
Police	17,323	22,275	23,145	23,551	406	1.7%	870	3.9%
Engineering/PCS	6,383	6,607	8,687	11,471	2,784	24.3%	2,080	31.5%
Total Operating Expenses	74,925	87,964	93,841	96,820	2,979	3.1%	5,877	6.7%

2025 YTD Total Operating Expenses are \$3.0M under budget due to:

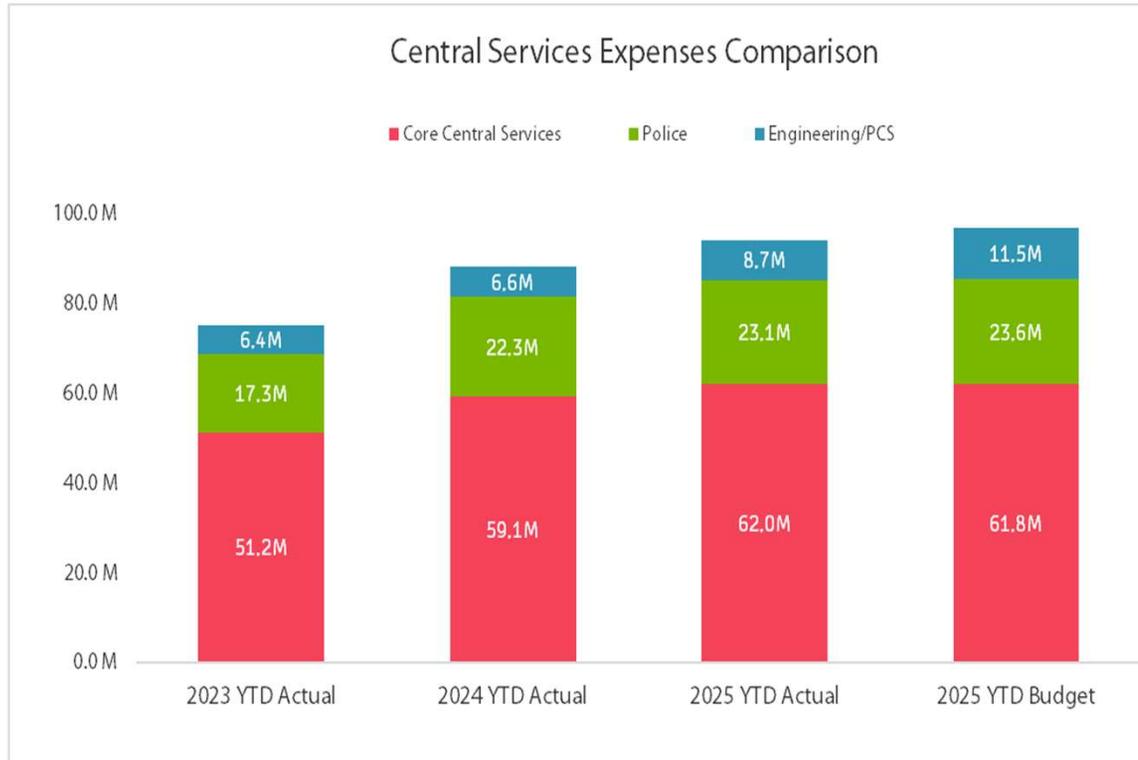
- Payroll higher than budget mainly due to the Comp project.
- Outside services being lower than budgeted due to the timely processing of actual expenses.

Central Services YTD Expense by Category

\$ in 000's	2023 YTD	2024 YTD	2025 YTD	2025 YTD	Actual vs. Budget		Change from 2024	
	Actual	Actual	Actual	Budget	Variance		Incr (Decr)	
					\$	%	\$	%
Salaries & Benefits	44,334	50,758	58,607	55,260	(3,347)	-6.1%	7,849	15.5%
Wages & Benefits	16,345	20,498	21,035	20,058	(978)	-4.9%	537	2.6%
Payroll to Capital Projects	9,367	11,343	10,353	13,467	3,114	23.1%	(991)	-8.7%
Equipment Expense	970	579	751	1,536	785	51.1%	172	29.6%
Supplies & Stock	518	433	550	458	(92)	-20.1%	118	27.2%
Outside Services	15,098	17,882	16,766	21,367	4,601	21.5%	(1,115)	-6.2%
Travel & Other Employee Expenses	999	1,243	1,429	2,172	744	34.2%	186	15.0%
Insurance Expense	2,163	2,571	2,620	3,099	479	15.5%	49	1.9%
Litigated Injuries & Damages	206	459	537	-	(537)	0.0%	78	17.0%
Other Expenses	2,439	3,883	2,378	1,839	(540)	-29.4%	(1,505)	-38.8%
Charges to Capital Projects/Overhead Alloc	(17,514)	(21,684)	(21,185)	(22,435)	(1,250)	5.6%	499	-2.3%
TOTAL	74,925	87,964	93,841	96,820	2,979	3.1%	5,877	6.7%

- The payroll is over budget primarily due to the Comp project.
- Outside Services below budget due to spending delays.

Central Services YTD Financial Highlights



2025 YTD Total Operating Expenses are **\$3.0M under** budget due to:

- Lower Outside Services, Equipment Expense, and Travel; partially offset by higher Payroll and lower charges to Capital Projects.

2025 YTD Total Operating Expenses are **\$5.9M higher** compared to 2024 due to:

- Higher Payroll, Travel & Other Employee Expenses, Supplies & Stock, Equipment Expense, and General Expenses in 2025; partially offset by less spending in Outside Services and Promotional Hosting.

Central Service Financial Summary (YE Forecast)

\$ in 000's	2023	2024	2025	2025	Actual vs. Budget		Change from 2024	
	Actual	Actual	Forecast	Budget	Variance		Incr (Decr)	
					\$	%	\$	%
Total Operating Revenues	(216)	403	244	183	61	33.5%	(158)	-39.3%
Core Central Support Services	103,824	146,886	132,884	127,143	(5,742)	-4.5%	(14,002)	-9.5%
Police	36,422	43,591	45,849	45,860	12	0.0%	2,258	5.2%
Engineering/PCS	11,907	15,644	20,336	22,907	2,571	11.2%	4,692	30.0%
Total Operating Expenses	152,153	206,121	199,069	195,910	(3,159)	-1.6%	(7,052)	-3.4%

Central Services Capital Spending

\$ in 000's	2025	2025	2025	2025	Budget Variance	
	YTD Actual	Year-End Forecast	Budget	Plan of Finance	\$	%
Engineering Fleet Replacement	321	2,084	2,284	980	200	8.8%
Corporate Fleet Replacement	262	1,912	3,950	3,030	2,038	51.6%
Services Tech - Small Cap	257	1,425	1,345	1,500	(80)	-5.9%
Infrastructure - Small Cap	366	469	1,564	1,500	1,095	70.0%
ID Badge System Upgrade	1,925	2,425	3,903	2,899	1,478	37.9%
Radio Microwave Redund. Loop	610	1,015	1,967	1,931	952	48.4%
Public Safety Dispatch	48	648	1,474	0	826	56.0%
Physical Access Control System Refresh	193	1,011	885	1,095	(126)	-14.2%
Maximo Software System Upgrade	0	1,000	1,000	1,600	0	0.0%
Police Axon Contract 2025	0	1,324	1,324	12,000	0	0.0%
Other (note 1)	223	3,046	4,751	12,950	1,705	35.9%
Subtotal	4,205	16,359	24,447	39,485	8,088	33.1%
CIP Cashflow Adjustment	-	(4,600)	(6,700)	(8,200)	(2,100)	31.3%
TOTAL	4,205	11,759	17,747	31,285	5,988	33.7%

Note:

(1) "Other" includes remaining ICT projects and small capital projects/acquisitions.

Portwide Appendix

2025 Q2 Financial Performance Report



Port Wide YTD Operating Revenues Summary

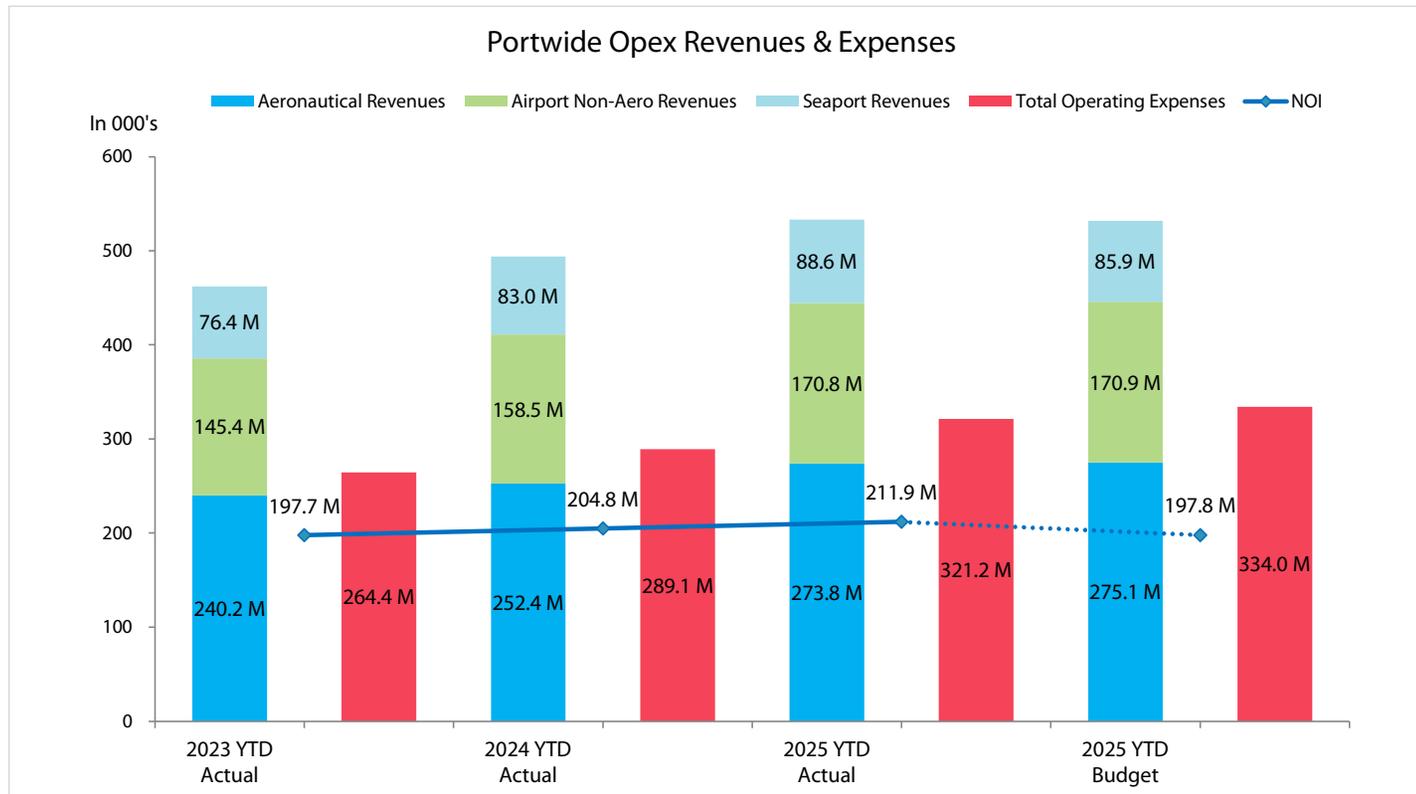
	2023 YTD	2024 YTD	2025 YTD	2025 YTD	Actual vs. Budget		Change from 2024	
	Actual	Actual	Actual	Budget	Variance		Incr (Decr)	
\$ in 000's					\$	%	\$	%
Aeronautical Revenues	240,218	252,437	273,752	275,055	(1,303)	-0.5%	21,314	8.4%
Public Parking	52,391	59,047	58,728	60,903	(2,175)	-3.6%	(319)	-0.5%
Rental Cars - Operations	18,021	16,759	18,448	18,363	85	0.5%	1,689	10.1%
Rental Cars - Operating CFC	5,495	6,916	8,145	7,197	949	13.2%	1,230	17.8%
ADR & Terminal Leased Space	31,985	36,364	37,172	37,897	(725)	-1.9%	808	2.2%
Ground Transportation	11,750	11,853	11,784	12,419	(636)	-5.1%	(69)	-0.6%
Employee Parking	5,460	5,223	6,272	6,905	(633)	-9.2%	1,049	20.1%
Airport Commercial Properties	9,618	9,930	10,985	13,721	(2,736)	-19.9%	1,055	10.6%
International Place	-	-	4,891	-	4,891	0.0%	4,891	0.0%
Clubs and Lounges	5,436	6,753	8,859	7,709	1,150	14.9%	2,106	31.2%
Airport Utilities	4,194	4,513	5,287	5,419	(132)	-2.4%	774	17.2%
Cruise	15,437	19,027	19,994	19,732	262	1.3%	967	5.1%
Recreational Boating	7,751	8,321	9,130	9,099	30	0.3%	808	9.7%
Fishing & Operations	5,481	5,523	6,159	5,747	412	7.2%	637	11.5%
Grain	1,964	3,079	3,643	2,687	957	35.6%	564	18.3%
Maritime Portfolio Management	5,205	6,136	6,603	7,193	(591)	-8.2%	467	7.6%
Central Harbor Management	4,960	5,126	4,505	4,823	(319)	-6.6%	(621)	-12.1%
Conference & Event Centers	3,377	3,687	3,867	4,056	(190)	-4.7%	179	4.9%
NWSA Distributable Revenue	28,949	29,664	32,221	29,166	3,055	10.5%	2,557	8.6%
Other	4,329	3,545	2,653	3,766	(1,113)	-29.6%	(892)	-25.2%
Total Operating Revenues (w/o Aero)	221,802	241,467	259,347	256,804	2,543	1.0%	17,880	7.4%
TOTAL	462,020	493,904	533,099	531,858	1,240	0.2%	39,195	7.9%

Port Wide YTD Operating Expense Summary

	2023 YTD	2024 YTD	2025 YTD	2025 YTD	Actual vs. Budget		Change from 2024	
	Actual	Actual	Actual	Budget	Variance		Incr (Decr)	
\$ in 000's					\$	%	\$	%
Salaries & Benefits	90,131	103,497	118,613	114,318	(4,295)	-3.8%	15,116	14.6%
Wages & Benefits	79,333	88,341	98,903	92,138	(6,765)	-7.3%	10,562	12.0%
Payroll to Capital Projects	15,420	18,260	18,373	23,830	5,457	22.9%	113	0.6%
Outside Services	57,221	63,807	64,213	89,435	25,222	28.2%	406	0.6%
Utilities	15,541	17,162	18,235	19,062	827	4.3%	1,073	6.3%
Equipment Expense	5,508	4,852	4,367	7,738	3,371	43.6%	(485)	-10.0%
Supplies & Stock	5,617	5,686	6,204	5,190	(1,015)	-19.5%	518	9.1%
Travel & Other Employee Expenses	2,208	2,827	3,129	5,115	1,986	38.8%	302	10.7%
Third Party Mgmt Op Exp	5,485	6,110	9,669	8,865	(804)	-9.1%	3,559	58.3%
B&O Taxes	2,895	3,027	2,924	3,420	495	14.5%	(102)	-3.4%
Other Expenses	14,940	13,261	14,149	11,277	(2,871)	-25.5%	888	6.7%
Charges to Capital Projects/Overhead Alloc	(29,947)	(37,726)	(37,576)	(46,366)	(8,790)	19.0%	151	-0.4%
TOTAL	264,352	289,103	321,204	334,022	12,818	3.8%	32,101	11.1%

- Outside Services were \$25.2M under budget due to delay in spending
- Equipment Expense were \$3.4M under budget due to spending delays
- Travel & Other Employee Expenses were \$2.0M lower than budget due to spending delays in training and travel
- Charges to Capital Projects/Overhead Allocations were lower by (\$8.8M) due to spending delays in Capital Projects

Port Wide Financial Summary (YTD)



- Total Operating Revenues: \$1.2M above budget
- Total Operating Expenses: \$12.8M below budget
- NOI before Depreciation: \$14.1M above budget

Port Wide Capital Spending Summary

\$ in 000's	2025 YTD Actual	2025 Forecast	2025 Budget	2025 Plan of Finance
Aviation	385,931	806,938	816,331	1,036,989
Maritime	47,458	103,014	89,827	131,699
Central Services & Other (note 1)	5,719	17,055	21,488	34,591
TOTAL	439,108	927,007	927,646	1,203,279

Note:

(1) "Other" includes 100% Port legacy projects in the North Harbor and Storm Water Utility Small Capital projects.