



Port of Seattle Regular Commission Meeting

March 24, 2026



COMMISSION REGULAR MEETING AGENDA

March 24, 2026

To be held virtually via MS Teams and in person at the Seattle-Tacoma International Airport – Conference Center, International Room, located at 17801 International Blvd, Seattle WA, Mezzanine Level. 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 488 611 449#

ORDER OF BUSINESS

10:30 a.m.

1. CALL TO ORDER

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

▶ 12:00 p.m. – PUBLIC SESSION

Reconvene or Call to Order and Pledge of Allegiance

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

4. SPECIAL ORDERS OF THE DAY

5. EXECUTIVE DIRECTOR'S REPORT

6. COMMITTEE REPORTS

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

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

1) Deliver public comment via email: All written comments received by email to commission-public-records@portseattle.org 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, March 24, 2026. ***(Please be advised that public comment is limited to agenda items and topics related to the conduct of Port business only.)*** You will then be provided with instructions and a link to join the Teams meeting.

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

For additional information, please contact commission-public-records@portseattle.org.

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

8a. Approval of the Regular Meeting Minutes of February 24, 2026. **(no enclosure)**

8b. Monthly Notification of Prior Executive Director Delegation Actions February 2026. – For Information Only. **(memo enclosed)**

8c. Approval of the Claims and Obligations for the Period of February 1, 2026, through February 28, 2026, Including Accounts Payable Check Nos. 962297 through 962713 in the Amount of \$9,108,236.99; Accounts Payable ACH Nos. 081824 through 082600 in the Amount of \$94,663,019.37; Accounts Payable Wire Transfers Nos. 069620 through 069639 in the Amount of \$21,477,633.63; Payroll Check Nos. 230140 through 230234 in the Amount of \$94,238.37; and Payroll ACH Nos 1300386 through 1305469 in the Amount of \$18,798,739.11, for Total Payments of \$144,141,867.47. **(memo enclosed)**

8d. Authorization for the Executive Director to Execute One Indefinite Delivery/Indefinite Quality Contract to Perform Environmental Regulatory and Infrastructure Support for Port of Seattle Maritime Properties with a Total Value of \$3,500,000 and a Contract Period of Five Years Plus Two Option Years. **(memo enclosed)**

8e. Authorization for the Executive Director to Increase the Capital Improvement Project Authorization for the Water Reservoir Rehabilitation Project by \$1,088,000, for a Total Estimated Project Cost of Not-to-Exceed \$6,257,000. (CIP #C801172) **(memo enclosed)**

8f. Authorization for the Executive Director to Execute a New Collective Bargaining Agreement Between the Port of Seattle and the Professional and Technical Employees Local 17, Representing Airport Duty Managers Assigned to the Aviation Operations Divisions, Covering the Period from May 21, 2025, through May 20, 2028. **(memo and agreement enclosed)**

8g. 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 Two Fire Alarm Technicians Assigned to the Aviation Maintenance Divisions, Covering the Period of January 1, 2025, through December 31, 2027. **(memo and agreement enclosed)**

8h. Authorization to Execute Settlement Agreement for Recovery of Cleanups Costs at Terminal 91. **(memo enclosed)**

8i. Authorization for the Executive Director to Execute a Contract with Oracle for PeopleSoft Financials and Human Capital Management Licensing for Up to Five Years, in the Requested Amount Not-to-Exceed \$4,500,000. **(memo enclosed)**

- 8j Authorization for the Executive Director to Execute an Amendment to the Existing Sustainable Airport Master Plan Environmental Review Professional Services Agreement with Landrum and Brown for an Increase of \$1,000,000, for a Total Contract Amount Not to Exceed \$9,750,000. **(memo and presentation enclosed)**

9. UNFINISHED BUSINESS

10. NEW BUSINESS

- 10a. Introduction of Resolution Nos. 3845, 3846, and 3847: Subordinate Lien Master Resolution Authorizing Revenue Bonds of the Port District to Be Issued in Series to Finance Any Legal Purpose of the Port District; Introduction of Resolution No. 3846, Amending Resolution No. 3777, Which Amended Resolution No. 3456 Commercial Paper Authorization; and Resolution No. 3847, Amending Resolution No. 3598, Authorizing the Issuance and Sale of Subordinate Lien Revenue Refunding Bonds, Series 2008. **(memo, resolution 1, resolution 2, resolution 3, and presentation enclosed)**
 - 10a-1. Resolution No. 3845: A Resolution Authorizing Revenue Bonds to Be Issued in Series to Finance any Legal Purpose of the Port; Providing a Subordinate Lien Upon Revenues for the Payment of Such Bonds; and Making Covenants and Agreements in Connection with the Foregoing.
 - 10a-2. Resolution No. 3846: A Resolution Amending Resolution No. 3456, as Previously Amended by Resolution No. 3777, Authorizing the Issuance and Sale of Subordinate Lien Revenue Notes (Commercial Paper).
 - 10a-3. Resolution No. 3847: A Resolution Amending Resolution No. 3598, Authorizing the Issuance and Sale of Subordinate Lien Revenue Refunding Bonds, Series 2008.

11. PRESENTATIONS AND STAFF REPORTS

- 11a. Port of Seattle Talent Connections Programs Update. **(memo and presentation enclosed)**
- 11b. Implementation of Language Access Order 2023-05. **(memo, attachment, and presentation enclosed)**
- 11c. 2026 Local and Regional GR Priorities Briefing. **(memo and presentation enclosed)**

12. QUESTIONS on REFERRAL to COMMITTEE and CLOSING COMMENTS

13. ADJOURNMENT



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

APPROVED MINUTES COMMISSION REGULAR MEETING

February 24, 2026

The Port of Seattle Commission met in a regular meeting Tuesday, February 24, 2026. The meeting was held at the Seattle-Tacoma International Airport Conference Center, located at 17801 International Blvd, Seattle Washington, and virtually on Microsoft Teams. Commissioner Mohamed were absent and excused from attendance at the Executive Session and was present for the regular meeting.

1. CALL to ORDER

The meeting was convened at 10:37 a.m. by Commission President Ryan Calkins.

2. EXECUTIVE SESSION pursuant to RCW 42.30.110

The public meeting recessed into executive session to discuss two items regarding Litigation/Potential Litigation/Legal Risk per RCW 42.30.110(1)(i), with one item also related to the sale or lease of real estate per RCW 42.30.110(1)(c) for approximately 60 minutes, with the intention of reconvening the public session at 12:00 p.m. Following the executive session, the public meeting reconvened at 12:10 p.m. Commission President Ryan Calkins led the flag salute.

3. APPROVAL of the AGENDA

The agenda was approved, as amended, with Agenda Item 8d removed from the Consent Agenda and addressed separately.

4. SPECIAL ORDERS OF THE DAY

- 4a. Proclamation – Commemoration of February 19, 2026, as the Day of Remembrance for Japanese American Incarceration (EO 9066).

Requested document(s) included a proclamation.

Presenter(s):

Francis Choe, Strategic Advisor, Commission Office
Stan Shikuma, Tsuru for Solidarity
Stephanie Tsukiko Numora-Henley, Seattle Chapter JAACL

Clerk Hart read Item 4a into the record. Deputy Executive Director Goon introduced the item.

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

Commission Strategic Advisor Francis Choe introduced external representatives for the reading of the proclamation.

Stan Shikuma of Tsuru for Solidarity, Stephanie Tsukiko Numora-Henley, Seattle Chapter JACL, and Commission Strategic Advisor Francis Choe read the proclamation into the record.

Members of the Commission thanked the proclamation readers and spoke regarding:

- atrocities committed on the Japanese American community;
- constitutional and civil rights;
- learning from history so that it does not repeat itself;
- federal overreach by the current Administration and accountability for Immigration and Customs Enforcement (ICE);
- historically marginalized communities and reparations for the black community;
- depriving people of liberty;
- signaling Port values; and
- truth and accountability.

The motion, made by Commissioner Hasegawa, to adopt the proclamation, carried by the following vote:

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

Opposed: (0)

5. EXECUTIVE DIRECTOR'S REPORT

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

6. COMMITTEE REPORTS

Committee Strategic Advisor Erica Chung provided the report.

Highline Forum

The Highline Forum met on January 28, 2026, with Tukwila Council President Armen Papyan chairing the meeting. The Port introduced our new Aviation Managing Director Wendy Reiter, and highlighted our efforts to reduce SEA Airport employee single occupancy commutes and support for expanded overnight transit. The Forum members reappointed Council President Papyan and SeaTac Councilmember Joe Vinson as Community Co-Chairs for 2026. During the meeting, attending members shared their state legislative priorities, with common themes around funding needs, local fiscal flexibility, and major capital projects. The Port also outlined aviation related bills on fuel tax use and Sustainable Aviation Fuels. The Port shared our federal legislative updates focused on implementation of the 2024 FAA Reauthorization Act and staff from Representatives Adam Smith and Pramila Jayapal's offices highlighted work on housing, healthcare, aviation noise and emissions, and funding for community facilities. The Forum then received a StART update covering national collaboration among airport roundtables, FAA briefings on flight procedures, and StART's 2025–26 priorities.

Sustainability, Environmental, and Climate Committee

Commissioners Calkins and Felleman convened the Sustainability, Environmental, and Climate Committee on February 17, 2026, and received briefings on Port's tree replacement policy and LNG white paper findings.

Waterfront Industrial Lands Committee

Commissioners Cho and Felleman convened the Waterfront Industrial Lands Committee on February 17, 2026, where they received a preview of the Terminal 91 Uplands Redevelopment-Post-validation contract amendment, which is coming up for Commission action today.

7. PUBLIC COMMENT

- The following person spoke regarding the Port's decision to close Salmon Bay Marina; spoke regarding the hardships imposed on residents there due to the closure, and spoke regarding the Port's timeline of notifications and actions: Michelle Giarmarco (*written comments also submitted*).
- The following person spoke regarding the closure of Salmon Bay Marina and hardships posed as the option for affordable housing is being taken away from the residents; and separately advocating for the saving of trees earmarked for removal from the flight corridor: John Chaney.
- In lieu of spoken comment, the following person submitted written comment stating their concern that cruise companies' whose ships visit Seattle may soon try to withdraw from the voluntary agreement to pause the dumping of toxic scrubber pollution into our local waters and urged the Port to ensure the current agreement stays in place: Chad Parry.

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

8. CONSENT AGENDA

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

8a. Approval of the Regular Meeting Minutes of February 10, 2026.

- 8b. **Approval of the Claims and Obligations for the Period of January 1, 2026, through January 31, 2025, Including Accounts Payable Check Nos. 961798 through 962296 in the Amount of \$15,411,446.02; Accounts Payable ACH Nos. 080983 through 081823 in the Amount of \$104,829,918.87; Accounts Payable Wire Transfers Nos. 069607 through 069619 in the Amount of \$12,052,686.73; Payroll Check Nos. 229995 through 230139 in the Amount of \$1,164,214.40; and Payroll ACH Nos. 1292804 through 1300385 in the Amount of \$28,641,533.40, for Total Payments of \$162,099,799.42.**

Request document(s) included an agenda memorandum.

- 8c. **Adoption of Resolution No. 3844: A Resolution of the Port of Seattle Commission Sunsetting the Ad Hoc Airport Workforce Conditions Committee and Amending the Charter of the Equity and Workforce Development Committee, Previously Adopted by Resolution No. 3770, to Update the Name of the Committee to the 'Equity, Workforce Development, and Conditions Committee,' and to further update the scope of the committee.**

Request document(s) included an agenda memorandum and draft resolution.

- ~~8d¹. **Authorization for the Executive Director to Execute a Lease Termination Agreement for the PACCAR Lease Agreement at SEA to Facilitate their Transition to Boeing Field and Support SEA's Airport Capital Development Program and Operations.**~~

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

- 8e. **Authorization for the Executive Director to Execute a Third Amendment to Lease Agreement with Air Line Pilots Association (ALPA) at SeaTac Office Center (STOC) to Lease an Additional 2,195 Square Feet of Office Space for a Term of 99 months.**

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

- 8f. **Authorization for the Executive Director to Approve the Updated Project Authorization Request to Include the Environmental Remediation Liability Project for Terminal 91 West Cruise Dredging in the Amount of \$250,000, for a Total Estimated Project Cost of \$3,250,000.**

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

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

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

Opposed: (0)

¹ Agenda Item 8d was removed from the Consent Agenda and addressed separately.

ITEMS REMOVED FROM THE CONSENT AGENDA

8d. Authorization for the Executive Director to Execute a Lease Termination Agreement for the PACCAR Lease Agreement at SEA to Facilitate their Transition to Boeing Field and Support SEA's Airport Capital Development Program and Operations.

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

Presenter(s):

Erik Johnson, AV Real Estate and Portfolio Manager III, AV Business & Properties

Clerk Hart read Item 8d into the record and Deputy Executive Director Goon introduced the item.

The presentation addressed:

- the action requested of Commission to authorize the Executive Director to execute a Lease Termination Agreement for the PACCAR Lease Agreement at SEA to facilitate their transition to Boeing Field and support SEA's airport capital development program and operations;
- an overview of the lease; and
- lease termination details.

Discussion ensued regarding work to be done onsite, including a water suppression system and PFAS remediation; impacts of ending the lease early; ensuring the Port has future real estate available for its use; and use of the building after the lease is terminated.

Members of the Commission thanked the team for its presentation.

The motion, made by Commissioner Felleman, 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 Approve Funding to Execute a Post-Validation Amendment to the Progressive Design-Build Contract, MC-0321389, for the T91 Uplands Development Program to Further Advance Design, Complete the Development and Negotiation of a Guaranteed Maximum Price Contract for Construction, and Retain the Option to Perform Early Work and Procure Long-Lead Items, in the Amount Requested of \$36,200,000, for a Total Estimated Project Cost of \$131,000,000. (C800158, C801169, C801372).

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

Presenter(s):

Kyra Lise, Director, Real Estate Development, Real Estate Development & Planning Administration
Evan Conroy, Capital Project Manager IV, Waterfront Project Management
Tin Nguyen, Chief Development Officer, Maritime Division

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

The presentation addressed:

- vision and purpose;
- the project area;
- project baseline scope;
- Phase I proposal;
- cost breakdown and target GMP;
- Phase I financial analysis;
- CIP changes and funding shortfalls;
- project schedule; and
- potential project risks.

Discussion ensued regarding:

- opportunity costs and lack of defined tenancy;
- the nature of a 'spec' project;
- interest expressed by potential tenants;
- site condition considerations;
- defining expenses;
- no demolition planned in Phase I of the project;
- tenancy related to the fishing and maritime industries;
- any potential impacts on the adjacent bridge and engagement with WSDOT and the Magnolia community;
- anticipating optimization of electricity;
- opportunities of the project with emerging technologies;
- improvements that represent decarbonization;
- shore power capacity and support for newer vessels;
- progress-design structure; and
- consequences associated with delaying the action on this request.

The motion, made by Commissioner Hasegawa, carried by the following vote:

In favor: Calkins, Cho, and Hasegawa (3)

Opposed: Felleman and Mohamed (2)

10b. Order No. 2026-03: An Order of the Port of Seattle Commission to Advance Community Protection and Civil Rights at Port of Seattle facilities; Restrict the Use of Port Property for Civil Immigration Enforcement Purposes, and Coordinate with Regional Partners to Ensure Transparency, Accountability, and the Dignity of all Workers and Travelers.

Requested document(s) included an Order.

Presenter(s):

Aaron Pritchard, Chief of Staff, Commission Office
Francis Choe, Strategic Advisor, Commission Office

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

Commission Strategic Advisor Francis Choe read the text of the Order into the record.

Discussion ensued regarding:

- limiting ICE's presence on Port facilities;
- providing know-your-rights training for Port employees;
- reinforcing the Port's commitments and mission;
- taking a regional stance against unjust immigration enforcement;
- continued commitment from the Commission to work on these issues;
- providing necessary clarification and upholding the Port's Welcoming Port Policy;
- shared spaces with federal enforcement at the Port; and
- values of the Federal presidential administration in misalignment with the Port.

Members of the Commission thanked the team for its presentation.

The motion, made by Commissioner Hasegawa, carried by the following vote:

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

Opposed: (0)

11. PRESENTATIONS AND STAFF REPORTS

There were no presentations or staff reports scheduled.

12. QUESTIONS on REFERRAL to COMMITTEE and CLOSING COMMENTS

Members of the Commission recognized and thanked Alessandra de Faria, Commission Executive Assistant, (who is separating from the Port) for her work in the Commission Office. They expressed their gratitude and joy in working with Alessandra.

13. ADJOURNMENT

The meeting adjourned at 2:41 p.m.

Prepared:

Attest:

Michelle M. Hart, Commission Clerk

Sam Cho, Commission Secretary

Minutes approved: March 24, 2026



COMMISSION

AGENDA MEMORANDUM

FOR INFORMATION ONLY

Item No.

8b

Date of Meeting

March 24, 2026

DATE: March 2, 2026

TO: Stephen P. Metruck, Executive Director

FROM: Karen R. Goon, Deputy Executive Director

SUBJECT: Monthly Notification of Prior Executive Director Delegation Actions February 2026

APPROVAL SUMMARY

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

Category of Approval	Request#	Description of Approvals February 2026	Category Amount
Projects & Associated Contracts	2518-2026	Barricade Services 2026	\$2,000,000.00
Projects & Associated Contracts	2609-2026	2026 FV Quaker Maid Salvage and Disposal	\$750,000.00
Projects & Associated Contracts	2513-2026	Hø?apus Village Park Redevelopment - Design Authorization	\$600,000.00
Non-Project Procurement of Goods & Purchased Service Contracts, Other Contracts, & Tenant Reimbursement	2557-2026	SEA Electricity Demand-Supply Study	\$900,000.00
Non-Project Procurement of Goods & Purchased Service Contracts, Other Contracts, & Tenant Reimbursement	2582-2026	Temporary Staffing Agency Services RFP	\$2,000,000.00

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Non-Project Procurement of Goods & Purchased Service Contracts, Other Contracts, & Tenant Reimbursement	2523-2026	Clean Fuels, Energy & Technologies IDIQ Procurement	\$2,000,000.00
Non-Project Procurement of Goods & Purchased Service Contracts, Other Contracts, & Tenant Reimbursement	2550-2026	Federal Grant Subrecipient Agreement - Equipment	\$10,905.00
Non-Project Procurement of Goods & Purchased Service Contracts, Other Contracts, & Tenant Reimbursement	2532-2026	Leave Administration RFP	\$850,000.00
Non-Project Procurement of Goods & Purchased Service Contracts, Other Contracts, & Tenant Reimbursement	2536-2026	Memorandum of Understanding with Washington Public Ports Association for Maritime Industrial Base Coalition	\$100,000.00
Non-Project Procurement of Goods & Purchased Service Contracts, Other Contracts, & Tenant Reimbursement	2479-2025	Contract Amendment for 3-years Uniform and Protective Gear Rental and Laundry Service	\$300,000.00
Non-Project Procurement of Goods & Purchased Service Contracts, Other Contracts, & Tenant Reimbursement	2485-2025	Enhanced Primary Passenger Processing in the FIS	\$500,000.00
Non-Project Procurement of Goods & Purchased Service Contracts, Other Contracts, & Tenant Reimbursement	2508-2026	Network Infrastructure IDIQ Contract Authorization 2026	\$1,800,000.00
Non-Project Procurement of Goods & Purchased Service Contracts, Other Contracts, & Tenant Reimbursement	2499-2026	Retro-Commissioning, TAB, Controls, and Regulatory	\$1,800,000.00
Non-Project Procurement of Goods & Purchased Service Contracts, Other Contracts, & Tenant Reimbursement	2603-2026	Revised Letter of Agreement with SEA FAA Air Traffic Control Tower SEA-016 v2026-02	\$0.00
Real Property Agreements	N/A	No Approvals in February	\$0.00
Utilization of Port Crews	N/A	No Approvals in February	\$0.00
Sale of Surplus Port Property	N/A	No Approvals in February	\$0.00
Total Value of Executive Director Approvals			\$13,610,905.00

Meeting Date: March 24, 2026

TRANSPARENCY:

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

BACKGROUND:

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

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

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

**COMMISSION
AGENDA MEMORANDUM**

Item No. 8c

ACTION ITEM

Date of Meeting March 24, 2026

DATE: March 17, 2026
TO: Steve Metruck, Executive Director
FROM: Eloise Olivar, Assistant Director of Disbursements
SUBJECT: **Claim and Obligations – February 2026**

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 February 01 through 28, 2026 as follows:

Payment Type	Payment Reference Start Number	Payment Reference End Number	Amount
Accounts Payable Checks	962297	962713	\$9,108,236.99
Accounts Payable ACH	081824	082600	\$94,663,019.37
Accounts Payable EFT	069620	069639	\$21,477,633.63
Payroll Checks	230140	230234	\$94,238.37
Payroll ACH	1300386	1305469	\$18,798,739.11
Total Payments			\$144,141,867.47

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.

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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.

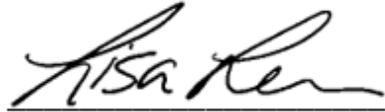
For the month of February 2026, over \$125,248,889.99 in payments were made to nearly 669 vendors, comprised of 2,105 invoices and over 7,719 accounting expense transactions. About 96 percent of the accounts payable payments made in the month fall into the Construction, Payroll Taxes, Employee Benefits, Other, Contracted Services, Leasehold Taxes, Furn & Equip Purchase, Janitorial Services, Utility Expenses and Sales Taxes. Net payroll expense for the month of February was \$18,892,977.48.

Top 10 Payment Category Summary:

Category	Payment Amount
Construction	60,816,398.55
Payroll Taxes	11,657,658.02
Employee Benefits	11,471,024.56
Other	10,003,261.01
Contracted Services	7,719,733.49
Leasehold Taxes	6,246,737.41
Furn & Equip Purchase	5,725,910.59
Janitorial Services	2,452,438.35
Utility Expenses	2,017,955.31
Sales Taxes	1,795,255.89
Other Categories Total:	5,342,516.81
Net Payroll	18,892,977.48
Total Payments	\$144,141,867.47

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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 March 24, 2026, 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 March 24, 2026

DATE: March 6, 2026

TO: Stephen P. Metruck, Executive Director

FROM: Stephanie Jones Stebbins, Maritime Managing Director; Director Marine Stormwater Utility
Sandra Kilroy, Sr. Director Environment & Sustainability
Sarah Ogier, Director, Maritime Environment & Sustainability
Jane Dewell, Sr. Manager Environmental Programs/Marine Stormwater Utility

SUBJECT: Indefinite Delivery/Indefinite Quality (IDIQ) Contract to Perform Environmental Regulatory and Infrastructure Support

Amount of this request: \$0
Total requested project cost: \$3.5 million

ACTION REQUESTED

Request Commission authorization for the Executive Director to execute one Indefinite Delivery/Indefinite Quality (IDIQ) contract to perform environmental regulatory and infrastructure support for Port of Seattle (Port) Maritime properties with a total value of up to \$3,500,000 and a contract period of five years plus two option years. No funding is associated with this authorization.

EXECUTIVE SUMMARY

The Port’s Marine Stormwater Utility (Utility) proposes to advertise and select one qualified firm to provide infrastructure asset management and environmental regulatory services in support of National Pollutant Discharge Elimination System (NPDES) permit requirements and Utility infrastructure obligations. This IDIQ would be used to meet stormwater regulations and infrastructure rehabilitation goals of the Utility and Port.

The Port has been using a balanced approach of staff and consultants to deliver the specialized work of the Utility. This procurement supports the Port’s strategy to manage our finances responsibly, provides a cost-efficient means to secure services for tasks that present variable workload, and allows us to maintain that balance and access specialized stormwater and asset rehabilitation services that we would not be able to adequately provide with in-house staff.

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JUSTIFICATION

The Port operates a Stormwater Utility, which collects fees from Northwest Seaport Alliance (NWSA) North Harbor, tenants, and Port business units in order to assess, maintain, repair, and rehabilitate stormwater infrastructure on Port maritime and waterfront properties. The Port also operates under a NPDES Phase I Municipal Stormwater Permit (MS4 permit) issued by the Washington State Department of Ecology (Ecology) and is required to develop and maintain a stormwater management program that meets MS4 permit requirements. In addition, Port maritime business units have regulatory and asset management priorities that may fall outside the scope of the Utility but are still critical to Port operations and regulatory compliance. To effectively comply with permit and Utility obligations, a variety of specialized environmental services are required including those related to stormwater pollution prevention plans, illicit discharge detection and elimination, stormwater monitoring, inspections, mapping, pre- and post-construction plan review, infrastructure system assessment and rehabilitation, and environmental training.

Consultant support is needed to help fulfill Utility asset management and MS4 permit obligations, as well as Port adherence to current and future local, state and federal regulations. Areas of support include infrastructure evaluation, repair, and rehabilitation; MS4 permit compliance; and research into regulatory, resilience, and stormwater management trends.

The work defined under this IDIQ supports the goal to ‘meet or exceed agency requirements for stormwater leaving Port-owned or operated facilities’ (Century Agenda, Goal 4, Objective 10). Failure to comply with the conditions of the MS4 permit and other NPDES permits could result in permit violations and potential fines.

Diversity in Contracting

Project staff, in coordination with Diversity in Contracting department, have set an aspirational goal of 20 percent for women- and minority-owned business enterprises (WMBE) for this IDIQ contract.

DETAILS

This IDIQ contract will enable the Port to meet stormwater permit requirements and Utility obligations by providing environmental, technical and regulatory expertise to supplement Port staff.

The Port is responsible for complying with MS4 and other NPDES permits issued by Ecology, as well as applicable regulations promulgated and enforced by City of Seattle. To effectively comply with NPDES permit requirements, regular efforts involve developing and updating relevant stormwater pollution prevention plans, updating pollution prevention best management practices for MS4 properties, inspecting infrastructure, responding to and reporting spills and illicit connections, updating operation and maintenance guidance to meet state and city

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regulations, conducting environmental training, and reviewing pre- and post-construction projects for compliance with stormwater and Utility requirements.

The Utility, formed in 2014, is responsible for maintaining MS4 stormwater infrastructure and assets and includes collecting fees for Port maritime, waterfront, and NWSA-managed North Harbor properties that are used to assess, maintain, repair, and rehabilitate stormwater infrastructure. Regular efforts involve coordination with Seattle Public Utilities under an interlocal agreement, evaluating and prioritizing the upgrading of infrastructure, updating the stormwater system GIS map, providing rate billing for properties, establishing annual rates with Commission approval, and long-range planning for system resilience.

Other stormwater program support efforts that may be outside of the Utility’s scope involve coordination with the NWSA on managed properties, support for industrial stormwater permits held by the Port, outreach to tenants, monitoring green and innovative infrastructure elements, technical research on stormwater treatment, and participation in local and regional water quality panels and conferences.

Remaining in compliance with water quality permits and being proactive about performance of our stormwater management system aligns with the Port’s goal of being the greenest Port in North America. Failure to comply with the conditions of the MS4 and other NPDES permits can result in permit violations and potential fines. Failure to assess and repair the stormwater infrastructure can result in property damage, potential environmental impacts, operational delays, and damage to Port operations and tenants.

Individual service directives consisting of a scope, fee agreement, and schedule will be negotiated and processed before any work is performed. Service directives will be used throughout the life of the contract, which is expected to be five plus two years.

Scope of Work

This IDIQ contract is a crucial component for meeting stormwater permit compliance and Utility obligations.

The consultant selected for this IDIQ would address work in five areas:

- (1) Marine Stormwater Utility Assets
- (2) Municipal Stormwater Permit
- (3) Port-held Facility-Specific Permits
- (4) Stormwater Regulatory Research
- (5) Stormwater Resilience, Innovation, and Voluntary Programs

Meeting Date: March 24, 2026

Schedule

Activity

Commission authorization	2026 Quarter 1
Contract execution	2026 Quarter 3
Service Directive(s) issued	2026 Quarter 4

ALTERNATIVES AND IMPLICATIONS CONSIDERED

Alternative 1 – No Action (No IDIQ Contract)

Cost Implications: \$0/year

Pros:

- (1) Lowest cost alternative
- (2) No contract oversight associated with IDIQ and individual service directives

Cons:

- (1) Risk of regulatory non-compliance due to reduced program support
- (2) Expertise to cover all tasks related to stormwater regulations and Utility obligations would not be available with existing staff resources
- (3) Additional Port staff positions may be needed to cover regulatory and asset and infrastructure work previously supported by consultants
- (4) Risk of damage to Port properties if Utility assessment and repairs are not supported

This is not the recommended alternative.

Alternative 2 – Fully Fund IDIQ for Marine Stormwater Utility Consultant Support

Cost Implications: Estimated \$500,000/year

Pros:

- (1) Provides access to highly skilled, specialized and technically broad consultant workforce on demand for varied stormwater regulatory and Utility requirements, including emerging regulatory and stormwater technologies
- (2) Provides flexibility (and potential savings) where low contract utilization will result in reduced costs below the annual estimate
- (3) Continues the balance of Port staff and consultant support to address changes in level of effort needed for regulatory compliance and asset and infrastructure improvement work
- (4) Reduced risk of regulatory non-compliance due to support of consultant staff on an as-needed basis

Cons:

- (1) Higher cost alternative, expending approximately up to \$500,000 a year on consultant support
- (2) Port staff time in managing a large IDIQ contract and individual service directives

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- (3) Increased regulatory risk if Port staff are not able to address all compliance obligations at current staffing levels

This is the recommended alternative.

FINANCIAL IMPLICATIONS

Charges to this IDIQ would be funded in part by the Utility, which is self-funded through collection of stormwater fees from tenants, NWSA, and Port business units. Other funds for work outside of the scope of the Utility, but in support of NPDES programs or infrastructure rehabilitation, would be funded through Port Maritime business units that directly benefit from the work. Funding for each Service Directive under this contract will be from authorized division operating budgets. Consequently, there is no funding request associated with this request.

ATTACHMENTS TO THIS REQUEST

None

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

September 10, 2019 – The Commission authorized IDIQ Contract to Perform Environmental and Regulatory Support for Marine Stormwater Utility not to exceed \$3,000,000



**COMMISSION
AGENDA MEMORANDUM**

Item No. 8e

ACTION ITEM

Date of Meeting March 24, 2026

DATE: March 13, 2026

TO: Stephen P. Metruck, Executive Director

FROM: Eileen Francisco, Director, Aviation Project Management
Keri Stephens, Director, Aviation Facilities and Capital Programs

SUBJECT: Water Reservoir Rehabilitation CIP #C801172 Additional Authorization Request

Amount of this request: \$1,088,000

Total estimated project cost: \$6,257,000

ACTION REQUESTED

Request Commission authorization for the Executive Director to increase the Capital Improvement project authorization for the Water Reservoir Rehabilitation project by \$1,088,000. The amount of this request is for \$1,088,000 for a revised total estimated project cost not to exceed \$6,257,000.

SUMMARY

The 2-million-gallon water reservoir at Seattle-Tacoma International Airport is an above ground steel tank that provides water storage for domestic use and fire suppression to the entire airport. The September 2021 inspection revealed severe corrosion in many areas on the reservoir and, if not addressed, could result in failure of the structure. Additionally, the presence of rust puts the water quality in jeopardy. This project will rehabilitate the structure to extend its useful life.

The original inspection was performed while the tank was in use, however it failed to reveal the full severity of the internal corrosion. After the tank was drained severe corrosion in the roof was noted, prompting a return to Commission to replace it. Later during abrasive blasting, to prepare the inner shell for recoating, severe corrosion was discovered in the top ring of the tank walls. This corrosion has led to significant material loss in some areas which is a concern to the structural integrity of the upper portion of the shell and must be repaired to bring the tank back into operation. As part of the project, a protective coating will be re-applied to the internal surface of the tank to minimize future corrosion while in service.

Commission Action History:

1. May 24, 2022 - Authorization of \$1,000,000 to prepare design and construction bid documents. Total estimated project cost \$3,169,000.

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2. April 16, 2024 - Authorization of \$2,019,000 to advertise, award, and execute a major work construction contract. Total estimated project cost \$3,169,000.
3. August 13, 2024 - Authorization to increase the Capital Improvement project authorization by \$400,000 to cover the cost of the construction bid amount. Revised estimated project cost \$3,569,000
4. April 22, 2025 - Authorization to increase the Capital Improvement project authorization by \$1,600,000 to cover the cost of a new roof for the water reservoir. Revised estimated project cost \$5,169,000

There are no attachments to this memo.



**COMMISSION
AGENDA MEMORANDUM**

Item No.

8f

ACTION ITEM

Date of Meeting

March 24, 2026

DATE: March 24, 2026

TO: Stephen P. Metruck, Executive Director

FROM: Michael Miskell, Labor Relations Manager
Milton Ellis, Assistant Director of Labor Relations

SUBJECT: New Collective Bargaining Agreement for the Professional and Technical Employees Local 17 (PROTEC17), Representing Airport Duty Managers

Total Port Cost Increase for the Duration of the Agreement: \$496,375

ACTION REQUESTED

Request Commission authorization for the Executive Director to execute a new collective bargaining agreement (CBA) between the Port of Seattle and the Professional and Technical Employees Local 17 (PROTEC17), representing Airport Duty Managers (ADM) assigned to the Port of Seattle Aviation Operations divisions, covering the period from May 21, 2025, through May 20, 2028.

EXECUTIVE SUMMARY

Good faith bargaining between the Professional and Technical Employees Local 17 (PROTEC17) representing Airport Duty Managers (ADM), and the Port of Seattle resulted in a fair collective bargaining agreement consistent with the Port’s priorities.

There are currently fourteen (14) Airport Duty Managers (ADM) at the Port of Seattle who oversee the Day-To-Day operation of the Airport. They ensure the airport operates safely, efficiently, and in compliance with regulation. They fix/solve or route issues to the proper team to solve. This position is a highly visible public interacting representative of the airport operations. The ADM is the primary point-of-contact for day-to-day information regarding safety, emergencies, compliance, construction, airlines, passengers, and tenants.

This agreement is for three years covering the period from May 21, 2025, through May 20, 2028. The estimated total additional cost for wages and benefit increases is \$496,375. The estimated additional cost per year of the contract is: year one, \$56,419; and year two, \$163,392; and year three \$276,564.

The cost also consists of a 6% increase in health insurance in year one, and an estimated 8% increase in health insurance in years two and three of the agreement.

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Other changes include extending recall from layoff from one year to eighteen (18) months and defining the term discipline for purposes of reduction in force, inclusion of a ten percent (10%) training premium to conduct training for new ADMs, the addition of 1 (one) personal day for all bargaining unit members each year and incorporating the ADM Scheduling Pilot Program into the collective bargaining agreement.

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 May 21, 2025, through May 20, 2028

FINANCIAL IMPLICATIONS

Wages

Service Time	Current Base Rate	Effective 5/21/25 Base Rate	Effective 5/21/26 Base Rate	Effective 5/21/27 Base Rate
0-12 Months	\$112,644	\$116,699	\$120,784	\$125,011
13-24 Months		\$119,150	\$123,320	\$127,636
25-36 Months	\$116,816	\$121,652	\$125,910	\$130,317
37-48 Months		\$124,207	\$128,554	\$133,053
49-60 Months	\$120,988	\$126,815	\$131,254	\$135,847
61-72 Months		\$129,478	\$134,010	\$138,700
73+ Months	\$125,160	\$132,197	\$136,824	\$141,613

A new pay scale structure was put into place that added a pay step increase in months thirteen (13), thirty-seven (37), and sixty-one (61). In the first year of the agreement, pay step 0-12 months

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increased by 3.5%. There is a 2.1% differential between each of the steps in the new pay scale. Employees will also receive a 3.5% increase in years two and three of the agreement.

Other Changes

- Incorporated the ADM Scheduling Pilot Program into the collective bargaining agreement.
- Addition of 1 (one) personal day for all bargaining unit members each year
- Inclusion of a ten percent (10%) training premium to conduct training for new ADMs
- Extended the Recall from layoff from one year to eighteen (18) months and defined the term discipline for purposes of Reduction in Force.

Cost Impact \$	Year 1	Year 2	Year 3
Pay	\$45,274	\$128,557	\$216,560
Benefits	\$11,145	\$34,835	\$60,003
Total New Money	\$56,419	\$163,392	\$276,564
Total Cumulative Cost	\$56,419	\$219,811	\$496,375

The estimated total cumulative cost to the Port of Seattle for the duration of the contract is \$496,375.

ATTACHMENTS TO THIS REQUEST

1. Collective Bargaining Agreement

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

None

TA - 1-22-2026

Item No: 8f attach1
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COLLECTIVE BARGAINING AGREEMENT

BY AND BETWEEN

THE PORT OF SEATTLE

AND

**PROFESSIONAL AND TECHNICAL EMPLOYEES
LOCAL 17 (PROTEC17)**

REPRESENTING AIRPORT DUTY MANAGERS

MAY 21, 2025 – MAY 20, 2028

Airport Duty Manager CBA

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ARTICLE 1 - PURPOSE OF AGREEMENT

This mutual Collective Bargaining Agreement (hereinafter referred to as the Agreement) has been entered into by PROTEC17 (hereinafter referred to as the Union), and the Port of Seattle (hereinafter referred to as the Port), collectively herein referred to as the Parties. The purpose of this Agreement is the promotion of harmonious relations between the Port and the Union; the establishment of equitable and peaceful procedures for the resolution of differences; and setting forth the mutual understandings of the Parties as to wages, hours, and other conditions of employment.

ARTICLE 2 – UNION RECOGNITION AND PAYROLL DEDUCTION

The Port recognizes the Union as the sole and exclusive bargaining agent for all Airport Duty Managers employed by the Port of Seattle, excluding supervisors, confidential employees, and all other employees, as identified in Public Employment Relations Commission decision number 13413.

The parties agree that the scope of work historically performed by members of this bargaining unit will continue to be performed as it historically has by bargaining unit employees.

Automatic Payroll Deduction

Upon receipt by the Union of written authorization individually signed by the employee, the Port will deduct from the pay of such employee the amount of dues, assessments, and initiation fees as certified by the Union. Such authorization for deductions may be in writing, electronically, or through recorded voice. The Port shall transmit such fees to the Union once each month on behalf of the members involved along with a detailed report listing the hours that each member worked. If a deduction error is identified, the error will be addressed as soon as practicable.

Dues Deduction Cancellation

An employee may cancel their payroll deduction of dues and fees 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 every effort to end the automatic dues deduction effective on the first pay period but no later than the second pay period after receipt of the written cancellation notice. The Port will not cancel the payroll deduction without the Union's authorization or confirmation.

Dues Deduction Cancellation Upon Promotion or Transfer

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When an employee leaves the Bargaining Unit due to a promotion or transfer, the employer will make every effort to cease dues deduction effective on the first pay period but no later than the second pay period after promotion or transfer.

Indemnification

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

ARTICLE 3 – UNION RIGHTS, ACCESS, AND USE OF PORT RESOURCES

Union Access

The Port agrees to allow reasonable access to Port facilities for Union Representatives who have been authorized by the Union. Such access shall be permitted in a manner as not to interfere with the functions of the Port. This Article shall apply within the constraints of federal and state regulations and statutes, and shall be consistent with the regulations controlling the Airport Operations Area and the Airport Security Plan.

New Employee Orientation

The Port agrees to notify the Union of any new employees employed in classifications covered by this Agreement within ten (10) days from date of hire. The Union, through a Shop Steward, Union Member, or Union Representative shall at a mutually agreeable time with the employer be provided with, at a minimum, thirty (30) minutes during the employees' new hire orientation program in order to meet with the employee(s) to present information concerning the rights, responsibilities of the bargaining unit and Union membership as an employee, which may, when operationally feasible, be performed during the Steward's normally scheduled workday with management's approval.

Bulletin Boards

A bulletin board shall be provided by the Port and placed in an area which is accessible to all PROTEC17 members. It is understood and agreed that only the Union shall maintain the bulletin board and no material shall be posted which is obscene, defamatory, or which would impair Port operations.

Shop Steward(s)

The Union may designate a shop steward or stewards who shall be the Union representative on the job. Absent mutual agreement between the Union and the Port, time spent by stewards involving Union activities shall not have a significant adverse impact on the steward's time to carry out their job assignment.

No Strike/No Lockout

The Port and the Union agree that the public interest requires the efficient and uninterrupted performance of all Port services. The Union will not authorize a strike and the Port will not

lockout employees. The Union and/or the employees covered by this Agreement shall not cause or engage in any work stoppage, strike, slow down or other interference with Port functions.

Use of Port Resources

Union Stewards may make limited use of the Employer's telephones, FAX machines, copiers, email, and similar equipment and resources for purposes of contract administration and notice distribution. All use of Port resources shall be in compliance with the Port's policies governing use of public resources and shall not interfere with operations or service to the public.

ARTICLE 4 – SENIORITY

The Port shall maintain one (1) seniority roster for the ADMs. Seniority, except as modified by this agreement, is the employee's most recent date of hire into the ADM classification, except as noted below. For the purposes of this article, "date of hire" is defined as the employee's first day of work.

If there are multiple employees hired on the same day into the bargaining unit, seniority will be determined by interview ranking. The Employer will promptly notify the Union of the result of the rankings.

ARTICLE 5 - PROBATIONARY PERIOD

Probationary period, an extension of the hiring process, is the period of time from the day a newly hired or rehired employee begins work at the Port of Seattle through the end of the sixth (6th) month of employment in the same position. Probationary employee means a newly hired or rehired employee who has not yet successfully completed the six-month probationary period is expected to establish a consistent, acceptable level of performance and behavior that is sufficient to retain their employment.

During the probationary period, employees may be terminated without cause and without recourse to the grievance procedure.

The probationary period may be extended by mutual agreement of the parties.

ARTICLE 6 - JUST CAUSE, DISCIPLINE, PERSONNEL FILES

The Port shall not discipline a non-probationary employee without just cause.

Except in cases which warrant immediate suspension or termination, discipline shall be corrective not punitive, and shall be progressive in nature. Employees have the right to Union representation during any meeting with the Port related to the investigation of actions which may lead to discipline. Discipline issued to employees will generally remain confidential

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between the employee and the Port, though the parties acknowledge the Port is a public employer.

Discipline, to be considered as valid, must be issued in writing to the affected employee and the Union. Discipline shall not be used to progress to a higher level of discipline after eighteen (18) months from the date of original issuance unless a similar or related offense is committed within that period. The eighteen (18) month timeline does not apply to discipline issued for misconduct which warrants an immediate suspension.

Employees may review their own personnel files in accordance with the Port's Employees' Personnel Files Policy, HR-4.

ARTICLE 7 – GRIEVANCE PROCEDURE

For the purpose of this Agreement, the term "grievance" means any dispute between the Port and the Union; or between the Port and any employee concerning the effect, interpretation, application, claim of breach, or violation of this Agreement; or any dispute that may arise between the parties. The Union and Employer agree that it is in the best interest of all parties to resolve disputes at the earliest opportunity, informally, and at the lowest level. To that end, all supervisors and employees are encouraged to engage in free and open discussions about disputes and to engage in problem resolution. If such an informal manner cannot resolve the dispute, this Article provides a formal process for problem resolution.

All grievances must be filed in writing within fifteen (15) business days after they occur or first knowledge that a grievance exists. All grievances shall contain a statement of the relevant facts, the specific section(s) of the Agreement allegedly violated, remedy sought, and then processed in accordance with the following grievance procedure:

Step 1: The dispute or grievance shall be filed with the department manager by the Shop Steward or Union Representative and the aggrieved employee. The manager must give their response within fifteen (15) business days.

Step 2: In the event no settlement is reached within fifteen (15) business days, the employee or the employee's representative shall then, within fifteen (15) business days, move the grievance to the Assistant Director of Airport Operations or designee. The Assistant Director of Airport Operations or designee shall make every effort to resolve the alleged grievance within fifteen (15) business days after submission.

Step 3: If no settlement is reached within fifteen (15) business days, the parties may mutually agree to move the grievance to the Board of Adjustment (BA).

The BA shall consist of a Union Representative and up to two (2) members of the bargaining unit selected by the Union, and up to three (3) persons selected by the Port. The BA will meet within fifteen (15) business days of the request to discuss and attempt to resolve the grievance.

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Any resolution reached by the BA shall be put in writing and signed on behalf of the Port and the Union

Step 4: If the parties do not mutually agree to move the grievance to the BA, or do not reach a resolution at the BA within fifteen (15) business days, upon mutual agreement, the Port and the Union may, within seven (7) business days, agree to submit the grievance to a mediator appointed by the Public Employment Relations Commission (PERC) or another mutually agreed upon mediator for mediation.

Nothing said or done by the parties or the mediator during the grievance mediation can be used in the arbitration proceeding.

Step 5: In the event no settlement is reached by the Union and the Port within thirty (30) business days of the Step 3 meeting, or Step 4 mediation if applicable, either party shall have the right to submit a demand for arbitration. Within seven (7) business days after the demand for arbitration, the Union and the Port shall mutually agree upon an arbitrator. If the parties fail to agree, the grieving party shall, within seven (7) business days, request a list of seven (7) qualified neutrals from the Federal Mediation and Conciliation Service (FMCS) or PERC. Within seven (7) business days after receipt of the list, the Union and the Port shall alternately strike the names on the list, and the remaining name shall be the arbitrator.

The arbitrator shall not have the power to add to, subtract from, or modify the provisions of this Agreement in arriving at a decision of the issue or issues presented; and shall confine their decision solely to the interpretation, application, or enforcement of this Agreement. The arbitrator shall confine themselves to the precise issue submitted for arbitration and shall have no authority to determine any other issues not so submitted to them. The decision of the arbitrator shall be final and binding upon the aggrieved employee, Union, and the Port.

Each party will bear its own costs of presenting grievances and/or arbitrations under this agreement. The Port and the Union shall share equally the fees and expenses of the arbitrator.

The grievance procedure and arbitration provided herein shall constitute the sole and exclusive method of determination, decision, adjustment, or settlement between the parties of any and all grievances as herein defined; and the grievance procedure and arbitration provided herein shall constitute the sole and exclusive remedy to be utilized by the parties hereto for such determination, decision, adjustment, or settlement of any and all grievances as herein defined.

Any time specified herein shall not include any time on any Saturday, Sunday, or holiday. Time limits may be extended by mutual agreement.

ARTICLE 8 – REDUCTION IN FORCE AND RECALL RIGHTS

Reduction in Force

One purpose of classification seniority is to give credit to employee service in layoff and recall situations. In the event of a reduction in force, written notice will be provided at least two (2) weeks prior to termination. Employees will be laid off and recalled according to classification seniority; thus the last employee hired into the ADM classification shall be the first laid off from that classification if there is a reduction in force. Employees who have been suspended or received a written warning within the last eighteen (18) months may be laid off out of seniority order.

Recall to Classification

Employees laid off will be entitled to be recalled in their original classification seniority order to the ADM classification for a period of eighteen (18) months following the layoff. Recalled employees will suffer no loss in Seniority. The right to be recalled to a classification from which an employee has been laid off will be forfeited if an offer of recall is made and declined, or the employee does not accept the offer of recall within fourteen (14) calendar days and return to work within twenty-one (21) calendar days of the offer of recall.

ARTICLE 9 – MANAGEMENT RIGHTS

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 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 covered employees shall be changed, modified, or otherwise affected, without meeting the Port’s obligations with the Union.

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 in accordance with the Port’s Corrective Action and Progressive Discipline Policy, HR-18;
- (c) To determine the keeping of records;
- (d) To establish employment qualifications for new employee applicants, to determine the job content and/or job duties of employees, and to execute the combination or consolidation of jobs;
- (e) To determine the mission, methods, processes, means, policies, and personnel necessary for providing service and Department operations, including, but not limited to:

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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 and hours of 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;
- (h) To establish reasonable work rules, and to modify training;
- (i) To approve all employees' PTO and other leaves;
- (j) To take whatever actions are necessary in emergencies in order to assure the proper functioning of the Department regardless of prior commitments; and
- (k) To manage and operate its Departments, except as may be limited by provisions of this Agreement.

ARTICLE 10 – 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. Unless otherwise agreed the Committee will meet at least quarterly to discuss and exchange information of a group nature and of general interest to both parties.

ARTICLE 11 - EQUAL OPPORTUNITY AND AFFIRMATIVE ACTION EMPLOYER

The Port of Seattle is an equal opportunity and affirmative action employer that values diverse perspectives and life experiences. We encourage people of all backgrounds to apply, knowing decisions concerning the employment relationship will be made without regard to age, race, ethnicity, color, religion, creed, sex (including pregnancy), sexual orientation, gender identity or expression, national origin, marital status, citizenship status, veteran status, the presence of any physical or mental disability, genetic information, participation or lack of participation in union activities, or any other status or characteristic protected by federal, state, or local law, regulations, and ordinances.

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

ARTICLE 12 – CIVIC DUTY LEAVE

Leave for Jury Duty

An eligible FLSA-exempt employee who serves on jury duty shall receive their full, regular Port compensation. An employee who is summoned for jury duty shall submit evidence of their summons within five (5) days of the employee's receipt of the summons to allow the Port to make scheduling adjustments as may be necessary.

An employee who has been summoned for jury duty shall be scheduled to a day shift (8am - 5pm, Monday through Friday) schedule for the duration of the jury duty reporting requirement. The Port will endeavor to release an employee from their shift the day preceding their jury service and their shift immediately following their jury service. If the employee is released from jury duty on any given day and has more than four (4) hours of their scheduled shift remaining, the employee shall immediately call their manager and follow the direction of the manager as to when to report to work that day. Upon return from jury service, an employee must submit proof of such service to their manager.

Ineligible employees, including On Call and Emergency Hire employees, Veterans Fellows, and Interns, are not eligible for Jury Duty Leave. When ineligible employees take time away from work for Jury Duty, they are not compensated by the Port for jury duty service.

Subpoenaed Witness Leave

An eligible FLSA-exempt employee who serves as a witness in a hearing or court proceeding which, as determined by Human Resources leadership, relates to, or involves the Port, shall receive their full, regular Port compensation.

An employee who is subpoenaed or requested by the Port to serve as a witness shall submit evidence as soon as practical to allow the Port to make scheduling adjustments as needed. An employee who has been subpoenaed or requested by the Port to serve as a witness shall be scheduled to a day shift schedule (8am to 5pm, Monday through Friday) for the week in which the employee is expected to testify.

Nothing in this article prohibits the employee and employer from a mutually-agreed shift change to accommodate Jury Duty or Subpoenaed Witness Leave.

ARTICLE 13 – SAFETY

The Port and Union agree that the health and safety of Port employees is a priority. As such, no employee is expected to risk injury or illness during the course of employment. Employees shall notify management of any workplace injury or unsafe conditions that occur during the course of their work.

The Port further agrees to follow any Local and Federal laws and guidelines in order to maintain a safe and healthy workplace. Employees shall cooperate with management in maintaining a

safe workplace and safe work environment, and shall wear and properly use any and all protective equipment required.

ARTICLE 14 – EMPLOYEE PARKING

For the life of this Contract employee parking shall be provided at no cost to the employee at places designated by the Port. Additionally, vacation parking shall be provided at no cost to employees on the same basis as provided to non-represented employees as long as such benefit is provided. Employees pay may be subject to withholdings for tax purposes if the value of commuter benefits exceeds the IRS limit.

ARTICLE 15 – EMPLOYEE LEARNING AND DEVELOPMENT

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

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

The Parties understand that the Employment Development and Education opportunities identified in this article shall not be subject to bargain and are subject to revision by the Port except as provided in this agreement.

However, the Port agrees to provide advance notice of any changes to the Union of any changed to the Employee Learning Development and Education opportunities identified in this article.

Internships

No internal or external ADM interns will backfill an ADM position for the purpose of meeting minimum staffing requirements, and interns will not be identified as ADMs via insignia.

ADM's participating in Port internship programs may be called back to do ADM work in emergency situations, as determined by Aviation Operations Management.

ARTICLE 16 – TELEWORK

Any telework schedule will be reviewed and discussed on a regular basis to determine the upcoming schedule expectation. Employees requesting to telework need to review and agree to telework requirements and complete the Port's telework agreement. Employees may submit a training plan to complete Port-issued trainings (i.e. on LMS or other learning management systems), ASRs, special projects, and other work that could be completed at home. The manager will review submitted training plans and assess for approval. If work or a project requires on-site support work, the employee may be asked to reschedule the training. On telework days employees will remain available (i.e. voice, text, email) during their regular shift while teleworking.

ARTICLE 17 – UNIFORMS

The Port agrees to provide advance notice to the Union of any changes to a requirement of authorized uniforms covered in this article.

ARTICLE 18 – PREMIUM PAY

18.1 The parties recognize the value in maintaining the utilizing the skills of multi-lingual employees. The Port agrees to provide advance notice to the Union if the Port develops a compensation program for employees who are proficient in a second language and use that language in the course of their work duties.

18.2 Training Premium: Effective upon ratification and execution between the parties, the Port, at its discretion, may assign an ADM as a trainer for one or more shifts to conduct on-the job training (OJT) for new hire ADMs. ADMs assigned to conduct OJT for new hire ADMs shall receive a ten percent (10%) premium for all hours of their shift on days assigned. Only ADMs that have obtained Qualified Personnel status as determined by management may be assigned to conduct OJT. There shall be no compounding or pyramiding of training premium.

Qualified Personnel ADMs who are interested in training new hire ADMs may submit a formal request to management for consideration. If multiple eligible ADMs submit requests, an interview process may occur. Management will provide feedback to any ADM not selected as trainer upon request.

The Training Premium is solely for shifts dedicated to the OJT of new hire ADMs in pursuit of the new hires becoming qualified personnel. General training amongst ADM peers and/or other Port employees does not qualify for the Training Premium.

When assigned to conduct OJT, the ADM will remain on the schedule and be expected to perform their regular ADM duties in addition to the OJT.

ARTICLE 19 – BEREAVEMENT LEAVE

Bereavement Leave may be granted for the death of family members; defined as the death of an employee’s spouse or domestic partner, the employee’s (or employee’s spouse or domestic partner’s) parent, child, step-child, sibling, grandparent, grandchild, aunt, uncle; or a sibling's spouse, domestic partner or child.

(a) Eligibility

Employees who have been continuously employed for at least 30 days and are eligible for PTO/Sick Leave benefits are eligible for up to one (1) work week of bereavement leave per loss. In addition to paid bereavement leave, the Employer may approve an employee’s request to use any type of leave or leave without pay for purposes of bereavement.

(b) Guidelines

Managers have discretion in granting bereavement leave, including how much leave to grant and if it can be taken intermittently. Considerations in granting bereavement leave include; the employees’ relationship to the deceased family member, travel to/from services, the employee’s involvement in making funeral and/or burial arrangements and involvement in closing out the estate of the deceased family member. Employees shall provide documentation to substantiate the need for bereavement leave.

ARTICLE 20 – HOLIDAYS

The following days shall be recognized as paid holidays:

- New Year’s Day
- Martin Luther King, Jr. Day
- President’s Day
- Memorial Day
- Juneteenth (Designated by Port)
- Independence Day
- Labor Day
- Thanksgiving Day
- Native American Heritage Day (day after Thanksgiving)
- Christmas

Port Designated Floating Holiday in lieu of Veterans Day (generally the day before or after Christmas, determined annually by the calendar and Human Resources)

Effective upon ratification and execution by the parties, one personal day to be selected once each contract year by the employee, subject to Management’s approval.

Banked Holidays

Another paid day off shall be provided to the employee when the holiday falls on the employee's normal day off, or when the employee works on the holiday. Such “banked”

holidays must be scheduled just like PTO and must be taken before PTO is used. It is up to the employee to keep track of their "banked" holidays and use them within ninety (90) calendar days of the observed holiday.

ARTICLE 21 – SICK LEAVE

Sick Leave is accrued based on an employee's hours paid. Accrued Sick Leave may be used for employee or a family member's illness, injury, or disability. Reasonable notice must be provided for the use of Sick Leave if the situation is foreseeable, and prior to the start of the employee's shift, when practicable.

(a) Eligibility

Full, or part-time, regular or limited duration employees who are regularly scheduled to work 21 or more hours per week.

(b) Accrual Rates

Employees accrue Sick Leave at the rate of 0.027 hours accrued per hour paid (2.15 hours per 80-hour pay period or approximately seven (7) days per year for full-time employees). Sick Leave may accumulate with no maximum or limit.

(c) Accumulating and Taking Sick Leave Time Off

Sick Leave up to the accrued balance may be used after 30 days of Port employment. Sick Leave can be used for an absence resulting from an employee or family member's mental or physical illness, injury, or health reason; to accommodate a need for medical diagnosis, procedure, care or treatment; or need for preventative medical care. In addition, Sick Leave may be used for:

- a qualifying FMLA or FCA absence,
- for absences that qualify for leave under the Domestic Violence Leave Act,
- when the employee's work location has been closed by order of a public official for any health-related reason, or
- when an employee's child's school or place of care has been closed for a health-related reason (not weather related).

The employee's manager may require a physician or health care provider's statement to justify use of Sick Leave after an absence exceeding three (3) days. A physician's release is required prior to the return to work by an employee who has experienced in-patient hospitalization of any kind that requires an absence from work, or who has suffered an absence longer than two weeks due to illness, surgery, or an accident.

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A family member, for Sick Leave purposes, is defined as a spouse or domestic partner, the parents or children of the employee or their spouse or domestic partner, as well as the employee's siblings, grandparents, or grandchildren.

For sick leave to be used for a domestic partner or a domestic partner's parents or children, an employee and their domestic partner must complete an Affidavit of Marriage/Domestic Partnership. Refer to Port Policy HR-31 for more information on the affidavit.

(d) Payment of Sick Leave at Termination

Upon termination immediately following five or more consecutive years of active employment with the Port of Seattle, an eligible employee will receive 50% of their accrued Sick Leave balance at the employee's hourly rate (compensation rate as specified in HCM, the Port's HR/PR system) in effect at termination. The Sick Leave will be paid as a lump sum and the payment will be subject to standard payroll withholding taxes.

(e) Shared Leave

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

ARTICLE 22 – Paid Time Off (PTO)

Employees accrue PTO based on straight time hours paid and tenure. Accrued days (as shown below) are based on a full-time employee working 80 hours per pay period; part-time employees earn a proportional share of PTO hours. PTO may be used for vacation, appointments, illness, etc. PTO requests will be approved per the requesting employee's departmental procedures.

Accrual Rates

- Up to 19.6 days (156.8 hours maximum) may be earned annually from an eligible employee's hire, or rehire, date and the end of their third year of employment. During this period, eligible employees accrue 0.07538 hours per straight-time hour paid.
- Up to 24.6 days (196.8 hours maximum) may be earned annually from the beginning of an eligible employee's the fourth year to the end of their seventh year of employment. During this period, eligible employees accrue 0.09462 hours per straight-time hour paid.

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- Up to 27.1 days (216.8 hours maximum) may be earned annually from the beginning of an eligible employee's eighth year to the end of their 11th year of employment. During this period, eligible employees accrue 0.10423 hours per straight-time hour paid.
- Up to 29.6 days (236.8 hours maximum) may be earned annually from the beginning of an eligible employee's 12th year of employment to their last day of employment. During this period, eligible employees accrue 0.11385 hours per straight-time hour paid.

(a) Accumulating and Taking Paid Time Off

All eligible employees shall be allowed and encouraged to take at least two work weeks of PTO each year.

Paid Time Off may be taken up to the available balance after the employee has completed their probationary period and received approval from their manager. Some Port groups may have a formal time off request process that must be followed before PTO may be used.

(b) Maximum Accumulation

Maximum PTO accumulation for employees is 480 hours. Accruals will cease when this limit is reached and will resume only when the balance is below 480 hours.

(c) Voluntary Cash-out of PTO Hours While an Active Employee

Employees may request a voluntary cash-out of a portion of their PTO balance. These cash outs are paid as a lump sum and based on the employee's base hourly rate at the time of the payment. The cash out payments are subject to standard payroll withholding taxes.

- Cash-out of PTO hours earned during the upcoming year

This benefit requires an advance election to avoid a 10% forfeiture.

This process conforms to IRS regulations and there will be no exceptions to this process. Elections will not carry over from one calendar year to the next calendar year.

Prior to the last business day in December employees have the opportunity to submit an irrevocable request to cash out PTO hours that will be accrued (earned) in the following year. PTO cash-out elections cannot exceed the PTO earned during the year of the payment and the employee must have at least two weeks of accrued PTO available as of the last paycheck of December of the year the request is made when the request is made.

(d) Cash-out of PTO hours previously accrued

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PTO may be cashed out at any time from banked (already accrued/earned) hours as long as the employee has at least two weeks of accrued PTO available. These requests will be subject to a 10% forfeiture.

(e) Payment of Paid Time Off at Termination

An employee who has successfully completed their first six (6) months of continuous Port of Seattle employment will receive 100% of their accrued Paid Time Off balance at the employee's hourly rate at termination.

Employees who have not been terminated for cause have the option of receiving their Paid Time Off hours:

- As a lump sum (all rights to insurance benefits, pension benefits and leave accruals during the period in which the PTO leave would have been used as service time are waived)
- As service time after their last day worked (this generally includes healthcare benefits, continuation of PTO and Sick Leave accruals, and service credit time). PTO cannot be used as service time in the year following the employees last Port of Seattle workday.
- As a combination of cash and service time.

If an employee does not notify Human Resources of their choice on or before their last day of work, their PTO shall be paid as a lump sum.

Employees who have been terminated for cause will receive 100% of their accrued PTO balance paid as a lump sum. In these situations, employees are not eligible to use Paid Time Off as service time after their last day worked unless authorization is received from Human Resources Leadership.

Employees who do not complete their probationary period will not be eligible to receive a cash-out of their accrued Paid Time Off at termination.

ARTICLE 23 – PARTIAL DAY ABSENCES

Regular full-time employees are expected to work a 40 hour per week schedule and may be required to work additional hours to complete their work. Personal appointments should be scheduled outside work hours whenever possible. When personal appointments cannot be arranged during non-work hours or an employee needs leave work due to illness, and the absence is of a duration that is less than four hours, then on up to three occasions per year, the manager may authorize the employee to be absent without requiring the employee to charge the time to PTO or Sick Leave (“Manager Authorized Partial Day Absences Coded Regular Pay”). If the employee should need to attend a personal appointments in addition to the three

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“Manager Authorized Partial Day Absences Coded Regular Pay”, the employee may use accrued and available PTO or Sick Leave, or unpaid leave, to cover the time off. If the absence is more than four hours a day, then the employee is required to charge the absence to accrued and available PTO or Sick Leave to cover the time off. Any and all partial day absences must be approved in advance by management.

ARTICLE 24 - PAID PARENTAL LEAVE

The Port agrees to provide Paid Parental Leave to regular, non-probationary employees for the term of this agreement. Eligibility, participation, and terms of the Paid Parental Leave shall be as provided to non-represented employees as outlined in Port policy HR-5. Changes and/or modifications to Paid Parental Leave shall not be a bargainable issue. However, the Port agrees to provide advance notice of any changes to Paid Parental Leave to the Union.

ARTICLE 25 – OTHER LEAVES

Leave Without Pay (LWOP) may be approved after all appropriate paid leave accruals are exhausted, unless the leave is covered by the Family and Medical Leave Act (FMLA), which may be taken as unpaid leave. When LWOP is taken for personal reasons, all PTO leave and sick leave must be exhausted.

Approval of leave under the conditions and limits of this section assumes the employee's right to reinstatement without loss of pay. However, if a reduction in force should occur during a period of leave, the returning employee would be subject to the action, which would have taken place, if the employee was at work.

If ~~any~~ employee does not return within the agreed time and does not notify the Port of the reason or request an extension, a termination personnel action form shall be prepared following final determination by the Sr. Director of Human Resources or their designee.

The following types of leave shall be authorized by the Manager or designee within the conditions and limits indicated:

Military Leave

With appropriate military orders, employees shall be allowed up to 21 working days of Paid Military Leave each Federal fiscal year (October through September) as provided in and limited by RCW 38.40.060.

Employees can use Military Leave when they must miss work for annual training commitments, for reserve duty, or when called to active duty. Compensation during the period of military leave shall not exceed that which would be required to cover the number of hours the employee is regularly scheduled to work. For military related absences that exceed 21 working days, employees may elect to use accrued PTO. If the employee requests, they may also elect to use Leave Without Pay prior to using all of their accrued PTO.

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Port Supplemental Military Pay is available after the twenty-one 21 days of paid military leave are exhausted to make up the difference between an employee's regular Port base pay and their military pay when an employee is called to active duty a Presidential Order or as a result of a declared state of emergency at the State or National level.

In all cases, the Uniformed Services Employment and Reemployment Rights Act (USERRA) provides the minimum definition of benefits guaranteed to employees called for active duty.

Personal LWOP

A request for LWOP for non-military or non-medical reasons shall be considered a personal LWOP. Approval is not automatic. Port management considers leaves extending beyond an employee's accrued PTO as a special consideration to be granted only after careful evaluation. Each request will be considered on its own merits and the factors to be considered by the Manager or designee shall include:

- The purpose and length of requested leave
- The employee's length of service
- The effects of such an extended absence on the operational efficiency of the department.

A personal LWOP with a mutual benefit for the Port and the employee would receive greater priority than a request with limited or no benefit to the Port. After an evaluation, the Manager or his designee may authorize up to ninety (90) calendar days LWOP to a regular employee.

Medical LWOP

Human Resources manages all work and non-work related reasonable accommodations leaves. A disability period is the time an employee is unable to perform the duties of their position due to illness or injury as determined and certified by a health care provider in writing to Human Resources. Medical LWOP required to cover certified periods of disability may be granted to employees suffering from either job-related or non-job-related disabilities.

Probationary LWOP

Personal LWOP is generally not available to probationary employees who have not completed their first six (6) months of continuous employment. Approval of the Probationary LWOP shall be made at the discretion of the employee's manager, after consultation with Human Resources. In no case shall Personal LWOP in excess of six (6) weeks be approved for employees who have not completed their probationary period. e.g., If an authorized probationary LWOP, the employee's probationary period shall be extended by the time period of the leave.

Seniority Status While on LWOP

An employee's seniority ranking and rate of PTO accrual will remain unchanged while on LWOP.

ARTICLE 26 – AWARDED TIME

Awarded Time

Business needs will occasionally require salaried employees in the bargaining unit to work more than 80 hours in a pay period to achieve Port objectives. Awarded Time gives managers a way to acknowledge these commitments and award additional time off to post-probationary employees who have worked additional hours to ensure important goals and deadlines are met or necessary work is accomplished. Awarded Time is not “comp time.” It doesn’t compensate employees on an hour-for-hour basis for hours worked beyond their regular work schedules. Awarded Time is not intended to extend an employee’s regular work schedule on an extended or regular basis.

- (a) Salaried employees are paid for the work they perform and occasionally are expected to work eight (8) or more additional hours (10% or more) per pay period. Employees working more than 8 additional hours per pay period for an extended period of time (more than two consecutive weeks) are candidates for Awarded Time.
- (b) Managers grant Awarded Time in advance and are encouraged to alert their groups’ time administrator, as well as the employee receiving Awarded Time when it is awarded. Employees are to record Awarded Time using the appropriate time reporting code.
- (c) Managers wishing to grant Awarded Time to an employee should follow their department’s procedure for reviewing the appropriateness of Awarded Time, including how much is awarded, before it is granted.
- (d) Awarded Time is intended to give employees time away from work for rest and rejuvenation following a recent rigorous work period. Therefore, the Awarded Time should normally be awarded to the employee during the same period in which the work was performed and the employee should use the Awarded Time as soon as possible thereafter. In no event shall the employee use Awarded Time more than three months after it is awarded.
- (e) Awarded Time will not be cashed out. Retiring or terminating employees may not use Awarded Time after their last day worked.
- (f) Employees will be allowed to maintain a log of hours worked. Hours worked in excess of ten percent (10%) of their regular work schedule, which are properly approved, tracked, and documented in a mutually agreed to form will be permitted for use as Awarded Time subject to the terms of this agreement.

ARTICLE 27 – HEALTH AND WELFARE PROGRAMS

Employees shall be covered by the Medical, Dental, Life Insurance and long-term Disability Insurance benefits described in paragraphs a, b, c, and d below. The Port retains the right to modify and/or change insurance benefits and/or carriers at any time during the term of the

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agreement. Coverage under this Article shall not be a bargainable issue. However, the Port agrees to meet and discuss any changes in Port coverage with the Union.

Employees may be required to pay a portion of some insurance premiums if required of other Port employees. Employee costs shall be by payroll deduction or by electronic payment of check if payroll deduction is not available. Employees are responsible for notifying the Port through approved enrollment processes of their eligible dependents. Any extra costs associated with a lack of notification shall be the employee's responsibility.

Employees shall be eligible to maintain continuity of coverage as provided for under the Consolidated Omnibus Reconciliation Budget Act (COBRA).

(a) Medical Insurance

Regular full-time, part time, and limited duration employees who are scheduled to work at least 21 hours per week shall be eligible for medical insurance coverage for themselves and their eligible dependents. For eligible employees, coverage begins the first day of the month following the date of hire, or immediately if hired the first day of the month. The eligibility and other conditions of coverage are established between the Port and the insurance companies or agencies selected to provide such benefits. Coverage for dependents shall be provided by the same medical insurance plan, that the employee has chosen.

(b) Dental Insurance

Regular full-time, part time, and limited duration employees who are scheduled to work at least 21 hours per week shall be eligible for dental insurance coverage for themselves and their eligible dependents. For eligible employees, coverage begins the first day of the month following the date of hire, or immediately if hired the first day of the month. The eligibility and other conditions of coverage are established with the insurance company or agency selected by the Port to provide such benefits. Coverage for dependents shall be provided by the same medical insurance plan that the employee has chosen.

(c) Vision Insurance

Regular full-time, part time, and limited duration employees who are scheduled to work at least 21 hours per week shall be eligible for dental insurance coverage for themselves and their eligible dependents. For eligible employees, coverage begins the first day of the month following the date of hire, or immediately if hired the first day of the month. The eligibility and other conditions of coverage are established with the insurance company or agency selected by the Port to provide such benefits. Coverage for dependents shall be provided by the same medical insurance plan that the employee has chosen.

(d) Life Insurance

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For regular full-time and part time, and limited duration employees who are scheduled to work at least twenty-one (21) hours per week, coverage begins the first day of the month following the date of hire, or immediately if hired the first day of the month. Eligible employees shall receive life insurance benefits in the amount of two (2) times their annual base rate and their eligible dependents shall receive life insurance benefits in such amounts and in such manner as are provided in contracts with insurance companies or agencies selected by the Port to provide such benefits. Such employees shall also be covered by the Accidental Death and Dismemberment policy provided by the Port, which provides a benefit in the amount of two (2) times their annual base rate.

(e) Long-term Disability

For regular full-time and part time, and limited duration employees who are scheduled to work at least twenty-one (21) hours per week, coverage begins the first day of the month following the date of hire, or immediately if hired the first day of the month. Other conditions of coverage are established with the insurance company or agency selected by the Port to provide such benefits.

(f) Light Duty

For regular full-time and part time, and limited duration employees who are scheduled to work at least twenty-one (21) hours per week, coverage begins the first day of the month following the date of hire, or immediately if hired the first day of the month shall receive light duty work as they are released to perform such duty through a care-provider and in accordance with the policies and procedures that govern the Port's self-insured Worker's Comp program.

(g) WA State Long Term Care Insurance

All employees are required to pay an employee paid premium for a state mandated Long Term Care insurance program. These premiums deduction will follow State guidelines, unless employees have received an exemption from the State of Washington and provides that documentation within set guidelines determined by the State.

ARTICLE 28 – COMMUTER BENEFITS

All Regular Employees, shall be eligible for the following benefits:

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

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

Ferry Reimbursement

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

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

The Port agrees to provide advance notice to the Union of any changes to the commuter benefits covered in this article.

ARTICLE 29 - PAYROLL

All employees are required to participate in the Port' Direct Deposit program for payroll purposes.

When the Port has determined that an employee has been overpaid, the Port will provide written notice to the employee that will include the following items:

- 1 . The amount of the overpayment;
2. The basis for the claim

The Port shall recover the overpayment by deduction through subsequent wages at a rate of five percent (5%) of the employee's net pay in a pay period, other than the final pay period; or the amount still outstanding from the employee's net pay in the final pay period. Deductions from wages shall continue until the overpayment is fully recouped. Nothing in this article precludes the employee from agreeing to a larger deduction.

Any dispute concerning the amount of the overpayment will be resolved through the grievance procedure, Article 7 of this agreement.

ARTICLE 30 – PENSION

The Port shall continue to contribute to the Washington State Public Employees Retirement System (PERS) covered by this Agreement per policy and state law.

ARTICLE 31 – SUPPLEMENTAL RETIREMENT PROGRAMS

The 457(b) Deferred Compensation Plan

Full-time, eligible employees shall be eligible to participate in the Port of Seattle's Deferred Compensation Plan after 30-days of continuous employment. 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

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itself, plan administration, and any determinations made under the plan shall not be subject to grievance or arbitration procedures or to any other provisions of this Agreement or to negotiation by the Union.

WA State Long Term Care Insurance

All employees are required to pay an employee paid premium for a state mandated Long Term Care insurance program. These premium deductions will follow State guidelines, unless employees have received an exemption from the State of Washington and provides that documentation within set guidelines determined by the State.

ARTICLE 32 – SAVINGS CLAUSE

Should any provision(s) of this Agreement be held invalid by operation of law or by any tribunal of competent jurisdiction, or if compliance with or enforcement of any provision(s) should be restrained by such tribunal, all other provisions of this Agreement shall not be affected, and the parties shall enter into immediate collective bargaining negotiations for the purpose of arriving at a mutually satisfactory replacement of such provision(s).

ARTICLE 33 – DURATION

This Agreement will become effective upon full and final approval by the Union and the Port of Seattle Commission and will cover the period from May 21, 2025 through May 20, 2028.

For Port of Seattle:

For Professional and Technical Employees,
Local 17:

Steve Metruck
Executive Director

Karen Estevenin
Executive Director

Date: _____

Date: _____

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APPENDIX – A – WAGES

Effective May 21, 2025, the Airport Duty Manager will move to the following wage scale:

Step	Wage
Entry 0-12 Months	\$116,699
1-year 13-24 months	\$119,150
2-year 25-36 Months	\$121,652
3-year 37-48 months	\$124,207
4-year 49-60 Months	\$126,815
5-year 61-72 months	\$129,478
6-year 73+ Months	\$132,197

Effective May 21, 2026, the ADM wage rates will be as follows:

Step	Wage
Entry 0-12 Months	\$120,784
1-year 13-24 months	\$123,320
2-year 25-36 Months	\$125,910
3-year 37-48 months	\$128,554
4-year 49-60 Months	\$131,254

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5-year 61-72 months	\$134,010
6-year 73+ Months	\$136,824

Effective May 21, 2027, the ADM wage rate will be as follows:

Step	Wage
Entry 0-12 Months	\$125,011
1-year 13-24 months	\$127,636
2-year 25-36 Months	\$130,317
3-year 37-48 months	\$133,053
4-year 49-60 Months	\$135,847
5-year 61-72 months	\$138,700
6-year 73+ Months	\$141,613

APPENDIX – B – ADM SCHEDULING

In order to establish fair and consistent scheduling the parties agree to the following:

1. The scheduling bid shall be by seniority within the ADM group, except as provided below:
 - For the first year of employment, ADMs may be scheduled at the discretion of management.
2. There will be no requirement for qualified ADMs to bid on each of the shifts (Day, Swing, and Mid).
3. Each rotation shall be four months, three rotations per year.
4. Shift trades will not be permissible except in the event of a life-changing circumstance.



**COMMISSION
AGENDA MEMORANDUM**

Item No.

8g

ACTION ITEM

Date of Meeting

March 24, 2026

DATE: March 24, 2026

TO: Stephen P. Metruck, Executive Director

FROM: Michael Miskell, Labor Relations Manager

SUBJECT: New Collective Bargaining agreement with the International Association of Firefighters, Local 1257, representing Fire Alarm Technicians

Total Port Cost Increase for the Duration of the Agreement:

- With an assumed 3% COLA in Year 3: \$54,066
- With max possible COLA in Year 3: \$64,866

ACTION REQUESTED

Request Commission authorization for the Executive Director to execute a new collective bargaining agreement (CBA) between the Port of Seattle and the International Association of Firefighters, Local 1257, representing two (2) Fire Alarm Technicians assigned to the Port of Seattle Aviation Maintenance divisions, covering the period from January 1, 2025, through December 31, 2027.

EXECUTIVE SUMMARY

Good faith bargaining between International Association of Firefighters, Local 1257, and the Port of Seattle resulted in a fair collective bargaining agreement consistent with the Port’s priorities. There are (2) Fire Alarm Technicians in the bargaining unit. This group services and inspects the fire alarm systems at the SeaTac airport.

This agreement is for three years, covering the period from January 1, 2025, through December 31, 2027. The estimated total additional cost for wages and benefit increases with an assumed 3% COLA in Year 3 is \$54,066. The estimated total additional cost for wages and benefit increases with the max possible COLA in Year 3 is \$64,866. The estimated additional cost per year of the contract is: year one, \$10,786; and year two, \$15,910; and year three with estimated 3% COLA \$27,370; or with the max possible COLA \$38,170. The cost is based on an annual wage increases of 3.1% in year one, 2.8% in year two, COLA 0%-6% in year three.

Other changes include updates to the Equal Employment Opportunity Section, creation of an employee funded union leave bank for union officers to use and minor language clean-up and clarification throughout.

Meeting Date: March 24, 2025

JUSTIFICATION

RCW Chapter 41.56 requires the Port of Seattle to collectively bargaining 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

Classification	Effective 1/1/25 Base Monthly Rate (+3.1%)	Effective 1/1/26 Base Monthly Rate (+2.8%)	Effective 1/1/27 Base Monthly Rate (with assumed 3%)	Effective 1/1/27 Base Monthly Rate (with max 6%)
Fire Alarm Technician	\$10,801.79	\$11,104.24	\$11,437.36	\$11,770.49

One-time Payments

- For 2025 each member of the bargaining unit will receive a one-time payment of \$2,000
- For 2026 each member of the bargaining unit will receive a one-time payment of \$2,000
- For 2027 each member of the bargaining unit will receive a one-time payment of \$1,000

Other Changes

- Updates to the Equal Employment Opportunity Section.
- Creation of an employee funded union leave bank for union officers to use.
- Minor language clean-up and clarification throughout.

Cost Impact \$	Year 1	Year 2	Year 3 (assumed 3%)	Year 3 (max 6%)
Pay	\$9,900	\$18,500	\$25,989	\$35,527
Benefits	\$885	-\$2,589	\$1,381	\$2,643
Total New Money	\$10,786	\$15,910	\$27,370	\$38,170
Total Cumulative Cost	\$10,786	\$26,696	\$54,066	\$64,866

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 FIRE ALARM TECHNICIANS



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

JANUARY 1, 2025 – DECEMBER 31, 2027

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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 - Exclusive Bargaining Agent

The Port recognizes the Union as the sole and exclusive bargaining agent for all Port of Seattle Fire Alarm Technicians.

Section 1.02 - Union Presentation

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) 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 within ten (10) business days of collection. 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 the 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 (FMLA) 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 sixteen (16) 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 one person 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, the employer shall make available to the Union a total of sixteen (16) 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. On or before October 1st (beginning October 1, 2025) of each year, the Union will notify the Port in writing of the amount 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. The maximum number of hours that can be maintained in the Union Leave Bank is 48 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 sixteen (16) Union hours leave bank made available by the employer per Section 4.3 shall be exhausted prior to Local-1257 Union leave bank hours are used.
2. The sixteen (16) 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 member 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

A procedure and form for employee evaluation will be mutually agreed upon by the Union and Management through the Labor Management Committee. Any changes to the procedures or 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.

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 based on rank order on the hiring list from which they were hired.

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 Fire Chief will have discretion to bypass seniority in those instances where the qualifications of the employee is essential in maintaining the operation of the Port Fire Department. 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 Fire Alarm Technicians 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.

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. Fire Alarm Technicians hired 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 - GRIEVANCE PROCEDURE

Section 11.1 - 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 11.2 - 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 11.1 - 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 11.4 - 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 12 - 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 13 - HOURS OF WORK AND OVERTIME

Section 13.1 – Workweek

Fire Alarm Technicians shall work a forty (40) hour work week.

Section 13.2 – Change in Starting and Stopping Time

Employees 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 13.3 – 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 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.

Section 13.4 – Overtime

In the event a need for overtime occurs, the employee shall be paid at the overtime rate (1½) for work performed outside the employee’s normal assigned hours.

All overtime compensation must be authorized by the Chief or their designee in advance.

Work-related phone calls taken outside of the employee’s normal assigned hours shall be considered overtime.

When an overtime phone call is answered between the hours of 8:00 AM and 7:59 PM, the employee shall receive 15 minutes of overtime pay regardless of the duration or number of calls within the 15 minute period beginning at the time of call. If a call extends beyond the initial 15 minutes, the call duration shall be rounded up to the next 15 minute increment for purposes of calculating overtime. Once the overtime period has elapsed, additional phone calls shall start a new 15 minute period subject to the same calculation procedure.

When an overtime phone call is answered between the hours of 8:00 PM and 7:59 AM, the employee shall receive 30 minutes of overtime pay regardless of the duration or number of calls within the 30 minute period beginning at the time of call. If a call extends beyond the initial 30 minutes, the call duration shall be rounded up to the next 30 minute increment for purposes of calculating overtime. Once the overtime period has elapsed, additional phone calls shall start a new 15 minute period subject to the same calculation procedure.

Except as specified below, overtime compensation shall not be duplicated or pyramided or paid during an employee’s normal assigned hours.

Phone calls during scheduled vacation: When an employee receives and accepts a work-related phone call during scheduled vacation hours, the overtime rules for phone calls shall apply. The employee shall be charged vacation time and receive overtime compensation simultaneously. Alternatively, at the employee’s sole discretion, the employee can elect instead to cancel vacation hours used and receive straight time pay for the covered time.

Section 13.8 – Call Back

If an employee is called back to work on site 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 based upon the nature of the call back. The four (4) hour minimum does not apply to shift extensions.

- 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 13.9 - On Call Status

Fire Alarm Technicians will be on-call to address the operational needs of the Fire Department as provided in Fire Department policy.

Section 13.10 – 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 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).

ARTICLE 14 - JURY DUTY/SUBPOENAED WITNESS

Section 14.1 – 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 14.2 – 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.

ARTICLE 15 - SICK LEAVE AND DISABILITY

Section 15.1 – 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 15.2 – 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;

- 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 15.3 – Sick Leave Upon Termination

After five (5) years of service, bargaining unit members, upon termination of employment, shall receive compensation for 50% of their unused sick leave.

Section 15.4 – Disability

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

- a. When combined with such other benefits, accrued sick leave may be applied up to but not to exceed the employees' regular pay rate.

- b. 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 15.5 – Extended Coverage (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 employee's 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 15.6 – Extended Coverage (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 employee's 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 15.7 – 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 15.8 – 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 15.9 – 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 16 - PENSIONS

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

ARTICLE 17 – 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 18 - VACATION

Section 18.1 – 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 a forty (40) hour work week.

- 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:

.0468 hours per straight-time hour paid
(.049 x 2,080 annual hours = 102 hours or 12.75 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:

.07 hours per straight-time hours paid
(.0736 x 2,080 annual hours = 153 hours or 19.125 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:

.0936 hours per straight-time hours paid
(.098 x 2,080 annual hours = 204 hours or 25.5 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:

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

Section 18.2 – 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 18.3 – 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.

Additionally, requests for approval of vacation schedules shall be made to the Battalion Chief of Fire Prevention or their designee. 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 18.4 – 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 19 - HOLIDAYS

Section 19.1 – Designated Holidays and Eligibility

The following holidays shall apply to Fire Alarm Technicians:

<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
Native American Heritage Day	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.

It is not the intent of this language to work any Port employee on a Port designated holiday.

The Port shall notify Local 1257 of the Port designated floating holiday(s) from the Port Payroll/Holiday calendar no later than December 15th of the previous year.

For the term of the contract, in those years where there is only one (1) Port designated holiday listed on the Port Payroll/Holiday calendar, Day Shift Fire Alarm Technicians will receive two (2) Employee designated holidays. The latter will be in exchange for one (1) of the Port designated holidays that is not listed on the Port Payroll/ Holiday calendar. In no event shall the total number of floating holidays exceed the total of three (3) as currently provided in Article 19.1 of this Article.

Section 19.2 – Overtime Application

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

Section 19.3 – 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 19.4 – 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. 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 19.1 for language on pro-rated eligibility.)

Section 19.5 –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 20 - BEREAVEMENT/EMERGENCY LEAVE

Section 20.1 – Bereavement Leave

At the discretion of the Fire Prevention 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 20.2 – Emergency Leave

Emergency leave will be authorized in accordance with policy 205.

ARTICLE 21 - 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.

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 22 - EDUCATIONAL REIMBURSEMENT

Section 22.1 – 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 22.2 – 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.

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 23 - 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 24 - INSURANCE

The following insurance is provided for employees in the bargaining unit and for their dependents:

Section 24.1 – Medical

Northwest Fire Fighter Benefit Trust- Plan \$1500

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

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 the 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 will exceed any applicable IRS limit or trigger the Affordable Care Act excise tax, the parties agree to reopen this agreement to bargain avoiding 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 24.2 – 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 Fire Fighters 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 24.3 – Life Insurance

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

Section 24.4 – 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 24.5 – 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 24.6 – 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 24.7 – 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.

This benefit will only be provided to employees who are members of the bargaining unit as of October 5, 2023. Any new employees who become members of the bargaining unit after this date will not be entitled to this benefit.

Section 24.8 – Eye Care Coverage

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

Section 24.9 – 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) 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.

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 25 - UNIFORMS AND PROTECTIVE CLOTHING

Section 25.1 – 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.

ARTICLE 26 - PHYSICAL FITNESS PROGRAM

All employees may participate in the established, mutually agreed upon, mandatory Fire Department Physical Fitness Program most recently modified in November 1989. 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 27 - 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 28 - 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 29 - 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 30 - 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 31 - 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 32 - 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

Effective January 1, 2025, the base monthly rate for the Fire Alarm Technician shall increase by one hundred percent (100%) of the Seattle/Tacoma/Bellevue CPI-U (All Urban

Consumers) August 2023 to August 2024 (3.1%). The new base monthly rate for the Fire Alarm Technician in 2025 is \$10,801.79. In addition, each member of the bargaining unit employed on January 1, 2025, will receive a one-time non-precedent setting payment of Two Thousand Dollars (\$2000.00), which shall be subject to standard payroll withholdings and paid after execution of this Agreement.

Effective January 1, 2026, the base monthly rate for the Fire Alarm Technician shall increase by one hundred percent (100%) of the Seattle/Tacoma/Bellevue CPI-U (All Urban Consumers) August 2024 to August 2025 (2.8%). In addition, each member of the bargaining unit employed on January 1, 2026, will receive a one-time non-precedent setting payment of Two Thousand Dollars (\$2000.00), which shall be subject to standard payroll withholdings and paid after execution of this Agreement.

Effective January 1, 2027, the base monthly rate for the Fire Alarm Technician shall increase by one hundred percent (100%) of the Seattle/Tacoma/Bellevue CPI-U (All Urban Consumers) August 2025 to August 2026. In no event will the increase be less than 0% or more than 6%. In addition, each member of the bargaining unit employed on January 1, 2027, will receive a one-time non-precedent setting payment of One Thousand Dollars (\$1,000.00), which shall be subject to standard payroll withholdings and paid after January 1, 2027.

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

2. LONGEVITY

After five (5) years active employment have been completed since date of hire, employees covered under this agreement shall receive longevity pay as follows:

- 5 – 9 years 2% of base wages
- 10 – 14 years 4% of base wages
- 15 – 19 years 6% of base wages
- 20 – 24 years 8% of base wages
- 25 – 29 years 10% of base wages
- 30 plus years 12% of base wages

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 Education premiums.

3. DIFFERENTIALS

a. Day Shift Fire Alarm Technician premium differential

Fire Alarm Technicians working day shift will receive a nine percent (9.0%) differential above their base rate of pay.

The nine percent (9.0%) differential is provided to the Fire Alarm Technicians in recognition of both their day shift assignment and their on-call status.

b. Bi-Weekly Pay: Employees shall be paid on a biweekly basis.

c. 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) Bachelor of Arts or Science Degree – 4%
- 3) Masters Degree – 6%

d. 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.

**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 and 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 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 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.



**COMMISSION
AGENDA MEMORANDUM**

Item No. 8h

ACTION ITEM

Date of Meeting March 24, 2026

DATE : March 2, 2026
TO: Stephen P. Metruck, Executive Director
FROM: Elizabeth Black, Deputy General Counsel

SUBJECT: Authorization to Execute Settlement Agreement for Recovery of Cleanups Costs at Terminal 91

Amount of this request: N/A
Total estimated project cost: N/A

ACTION REQUESTED

Request Commission authorization for the Executive Director to execute a settlement agreement with The Boeing Company (“Boeing”) to recover approximately \$3,900,000 in costs associated with the Port’s cleanup of the Terminal 91 uplands.

EXECUTIVE SUMMARY

Over several decades, the Port has spent more than \$28.5 million on the environmental cleanup of Terminal 91. The Port is working to recover these costs, as well as estimated future costs, from other responsible parties who caused or contributed to contamination at the site.

Contamination at Terminal 91 resulted from a variety of sources. From the late 1800s through 1920, owners of the area included various railroads, land development companies, and private individuals. The Great Northern Railroad began to develop the area in the early 1900s by filling the area between the Magnolia Bluff and Queen Anne Hill. Philip Services constructed a tank farm in the 1920s and operated it as a fuel storage facility in the late 1920s and 1930s. The U.S. Navy acquired the entire facility in 1942 and operated the tank farm primarily as a fuel and lubricating oil transfer station until 1972, when the Port leased back the consolidated facility and subleased the tank farm to Philip Services. Philip Services conducted waste oil recovery and wastewater treatment until 1995 when they ceased operation and performed above-ground closure activities. The tank farm was subsequently used for fuel storage and blending until 2003 and was demolished in 2005.

Under the proposed settlement agreement, Boeing will pay the Port \$3,900,000 for its share of cleanup costs associated with its contribution of contamination to the site. This matter was further discussed in privileged attorney-client communications. There are no attachments to this memo.



**COMMISSION
AGENDA MEMORANDUM**

Item No. 8i

ACTION ITEM

Date of Meeting March 24, 2026

DATE: March 13, 2026
TO: Stephen P. Metruck, Executive Director
FROM: Krista Sadler, Director, ICT Technology Delivery
SUBJECT: Oracle PeopleSoft Licensing Authorization

Contract Authorization Value: \$4,500,000

ACTION REQUESTED

Request Commission authorization for the Executive Director to execute a contract with Oracle for PeopleSoft Financials and Human Capital Management (HCM) licensing for up to five years. Authorization for licensing payments will not exceed \$4,500,000 over the five-year period. There is no funding request associated with this authorization.

SUMMARY

The Port of Seattle started using Oracle’s PeopleSoft Financial System and HCM System over 25 years ago. The Financial system is used to support many business functions such as General Ledger, Purchasing, Accounts Payable, Project Costing, Accounts receivable, Billing, and Asset Management. In the HCM system, we manage all major Human Resource functions, Time and Labor, Payroll, Performance Management, and several employee self-service applications such as paycheck review, W-2 updates, benefits enrollment, and compensation history. Over the years, significant investments have been made to meet Port requirements, stay current with modern business practices, and meet the challenges of cyber security protections. These systems are used Port-wide by every department.

As with any major system, Information and Communication Technology (ICT) and business departments will evaluate the continued use of the systems as business requirements change and new products are introduced.

This authorization will approve contractual licensing for up to five years and an amount not to exceed \$4,500,000. This amount reflects contingency to cover expected increases. Annual costs will be included in the Information & Communication Technology Operating Budget.

There are no attachments to this memo.



**COMMISSION
AGENDA MEMORANDUM**

Item No. 8j

ACTION ITEM

Date of Meeting March 24, 2026

DATE : March 1, 2026

TO: Stephen P. Metruck, Executive Director

FROM: Sarah Cox, Director, Aviation Environment and Sustainability
Steve Rybolt, Sr. Environmental Program Manager, Aviation Environment and Sustainability

SUBJECT: Sustainable Airport Master Plan (SAMP) Near-Term Projects Environmental Review – Additional Contract Authorization

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

Total estimated project cost: \$9,750,000

ACTION REQUESTED

Request Commission authorization for the Executive Director to execute an amendment to the existing Sustainable Airport Master Plan Environmental Review professional services agreement with Landrum and Brown for an increase of \$1,000,000 for a total contract amount not to exceed \$9,750,000.

EXECUTIVE SUMMARY

Additional contract authorization is being requested to complete environmental review documentation required under the State Environmental Policy Act (SEPA). This authorization will support a continued robust outreach and engagement program, additional analyses beyond what was conducted during the National Environmental Policy Act (NEPA) Environmental Assessment (EA), that have occurred over duration of the environmental review. This request will also include contingency funds if additional analyses or work is required following the issuance of the Draft SEPA Environmental Impact Statement (EIS). Funding has already been approved in the 2026 Aviation Expense Budget; this request is to authorize the additional project budget to amend the existing contract.

JUSTIFICATION

The estimated cost of the SAMP NTP environmental review has exceeded the contract value and estimated level of effort. There are three primary reasons for the increased cost of analyses, documentation, and project management of the SAMP NTP environmental review: (1) a higher level of outreach and engagement in NEPA and SEPA, (2) additional analyses being conducted as

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a part of the Draft SEPA EIS, and (3) overall administrative contract cost escalations. Additional information on each of these areas is noted below.

Staff anticipate the \$1,000,000 in additional contract authorization will be sufficient to complete the remaining SAMP NTP environmental review Draft SEPA EIS documentation. This funding will support a continued robust outreach and engagement program, additional analyses beyond what was conducted during the NEPA EA, and contract cost escalations that have occurred over the duration of the environmental reviews. The environmental review will be done under the existing contract, led by Landrum & Brown, a consultancy firm specializing in environmental review.

- **Outreach and Engagement.** During the NEPA EA, the Port of Seattle developed and produced a robust outreach and engagement program. This included, but is not limited to, materials and translations provided in multiple languages, outreach to airport-area stakeholders and public meetings in different locations, targeted engagement with BIPOC and historically underrepresented communities with an emphasis in South King County, and outreach to public sector and regional leaders. The original estimated budget developed in 2016 was far exceeded and it is planned to conduct a similar, if not larger, outreach and engagement program for the SEPA EIS.
- **Updated and additional technical analysis.** The Draft SEPA EIS will update and conduct additional analyses beyond what was conducted in the NEPA EA. This will include, but is not limited to, air quality, noise, climate, environmental justice, and cumulative impacts. This includes analyses identified in Scoping that was not anticipated to be in the NEPA EA, analyses that were removed from the Final NEPA EA, and additional analyses that were identified during the NEPA EA public comment period. These additional analyses will ensure that once the Draft SEPA EIS is released, it will have the most updated information for the public to review. These efforts require additional documentation, specialized expertise, and coordination with appropriate governmental agencies.
- **Administrative contract cost increases.** The contract provides a provision that provides annual consumer price index adjustments (i.e., CPI-U). This adjustment applies to all positions on the contract, including small suppliers and contractors (i.e., SCS). Due to the duration of the contract and the annual increases in CPI-U, additional unforeseen costs occurred.

Diversity in Contracting

The SAMP Environmental Review personal services agreement has a Small Contractors and Suppliers (SCS) utilization requirement of seven percent. To date, the personal services agreement exceeds this requirement with an approximately 10% SCS utilization rate. The seven percent SCS utilization requirement will continue through the duration of the service agreement.

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DETAILS

This contract supports the Port's ongoing efforts to fulfill regulatory obligations (i.e., SEPA) for decisions about airport growth and development. Consulting services made available through this contract allow the Port to evaluate the potential environmental impacts of future airport growth and development identified within the SAMP NTP and mitigate those impacts as appropriate. Upon completion of NEPA and SEPA, the Port may begin construction after Commission authorization.

Environmental review of the SAMP NTP will continue to be led by Landrum & Brown, a consultancy firm specializing in aviation environmental reviews. Landrum & Brown will also continue to be supported by a variety of subconsultants, many of which are locally and/or nationally recognized experts within their respective disciplines.

Scope of Work

These additional funds would be used to complete work that falls within the scope of the existing contract.

The SAMP NTP Environmental Review scope includes the following primary tasks:

- **Project Management** – Manage coordinated and effective relationships with the project team.
- **Scope of Work Development, Project Schedule, and Project Budget** – Prepare and document detailed scope of work, schedule, and project budget for NEPA and SEPA.
- **SEPA Analysis – Existing Conditions/Affected Environment** – Identify existing environmental conditions for all elements of the environment under SEPA.
- **Future Environmental Consequences With and Without the Project** – Evaluate all elements of the environment under SEPA for future conditions associated with the Alternative(s) and No Action Alternative.
- **Prepare Draft Environmental Documentation** – Prepare comprehensive interim documents that will be made available for agency and public comment.
- **Public and Agency Coordination** – Conduct on-going coordination with appropriate stakeholders during the preparation of the draft and final environmental documents. This also includes public hearing(s) during the agency and public comment period.
- **Prepare Final Environmental Documentation** – Review agency and public comments on the draft environmental document and revise the draft document to prepare the final environmental documents.

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Schedule

Staff anticipate the following schedule:

- Q2 2026** SEPA EIS draft document released for agency and public review
SEPA EIS agency and public review complete
- Q4 2026** SEPA EIS final document

ALTERNATIVES AND IMPLICATIONS CONSIDERED

Alternative 1 – Do not add funds to the SAMP Environmental Review service agreement, but instead, procure new consultant services. The work described in this memo is required to advance the SAMP NTP environmental review but could be conducted by a consultancy firm(s) specializing in aviation environmental reviews and not currently under contract with the Port.

Cost Implications: This alternative would likely cost more and take longer to complete; the potential increase in cost and delays to the schedule cannot be reasonably quantified and would be significant considering the delay to the entire SAMP NTP.

Pros:

- (1) Competition among qualified consultants for additional work.

Cons:

- (1) Procuring a consultancy firm specializing in airport environmental reviews other than Landrum & Brown, to conduct the work described in the details section of this memo, would likely cost more and take longer due to the lack of knowledge of the environmental issues and projects that has, by comparison, been gained by the SAMP Environmental Review consultant team through their work on the SAMP NTP environmental review to date. In addition, the procurement process itself would take time to execute.

This is not the recommended alternative.

Alternative 2 – Do not add funds to the SAMP Environmental Review service agreement and use Port staff to complete the work.

Cost Implications: No additional funds added to the contract – potential \$1,000,000 savings in Aviation expense fund. Other cost increases cannot be reasonably quantified, due to probable delay in SAMP NTP, but should be considered significant.

Pros:

- (1) Short term cost savings

Cons:

- (1) Port staff lacks the breadth of specialized skills required within NEPA and SEPA. Using Port staff to conduct the work described in the details section of this memo would likely take longer due to the lack of knowledge of the environmental issues and projects that has, by comparison, been gained by the SAMP Environmental Review consultant team through their work on the SAMP NTP environmental review to date. In addition, the

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Port lacks the staff resources to conduct the work – in particular, within the Aviation Environment and Sustainability department.

This is not the recommended alternative.

Alternative 3 – Add the requested contract funds to the existing SAMP contract.

Cost Implications: \$0

Pros:

- (1) This is the most cost-effective way to complete the work described in the details section of this memo due to the knowledge of the environmental issues and projects that has been gained by the SAMP Environmental Review consultant team through their work on the SAMP NTP environmental review to date. This money has already been approved in the 2026 Aviation Expense Budget; this request is to authorize the additional project budget to amend the existing contract.

Cons:

- (1) \$0

This is the recommended alternative.

FINANCIAL IMPLICATIONS

Cost Estimate/Authorization Summary

Expense

Total

AUTHORIZATION		
Previous authorization (11/10/2015)	\$3,000,000	\$3,000,000
Previous authorization (2/25/2021)	\$3,400,000	\$3,400,000
Previous authorization (6/27/2023)	\$2,350,000	\$2,350,000
Current request for authorization	\$1,000,000	\$1,000,000
Total authorizations, including this request	\$9,750,000	\$9,750,000
Remaining amount to be authorized	\$0	\$0

Annual Budget Status and Source of Funds

Approximately \$7,500,000 has been spent on the SAMP NTP environmental review to date and the remaining funds within the current project budget of \$1,050,000 are allocated to tasks in progress, leaving \$250,000 in unallocated funds. The 2026 operating budget includes \$550,000 for SAMP NTP environmental review activities. As these are operating costs, the funding source will be the Airport Development Fund.

ADDITIONAL BACKGROUND

The primary purpose of SAMP is to identify facility improvements required to satisfy demand over the 20-year planning horizon and to balance capacity in all key functional areas to the fixed capacity of the airfield. To that end, the SAMP started with an unconstrained, 20-year forecast of

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cargo and passenger activity which was used to determine peak hour facility requirements based on demand derived from the movement of aircraft, passengers, bags, vehicles and freight. Alternatives for facilities development to satisfy demand were then developed and assessed, resulting in a phased capital program to deliver needed capacity through the 20-year planning horizon.

For planning purposes, the SAMP assumes the airport’s current three-runway system and close-in airspace configuration will remain in place. With the airport’s small footprint and significant physical constraints, redevelopment at Sea-Tac requires expensive relocation of existing facilities and limited options for expansion.

Work to evaluate alternatives for project phasing and to assess airside capacity has included extensive airside modeling in consultation with FAA specialists and has determined that existing constraints require a two-step approach to advance the SAMP.

The first step in SAMP planning identified a suite of projects required to meet current and expected near-term future demand, known as the Near-Term Projects (NTP). The NTP consists of approximately 31 projects, including 19 gates connected to a second terminal, that are being evaluated within the SAMP NTP environmental review. Although the SAMP planning process identified projects beyond the NTP, known as the Long-Term Vision (LTV), these projects are not ripe for environmental review at this time, as they require further study and are not reasonably foreseeable.

The second step in SAMP planning focused on understanding the constraints for airside facilities, which include runway and taxiway utilization, airfield configuration, gate availability, and airspace management as conducted by FAA. The Port will work with the FAA to conduct an airfield/airspace study which will determine the long-term capacity of the airfield and inform or reaffirm the SAMP LTV projects. Similar to the LTV, additional environmental review is required before any airfield/airspace projects could be implemented.

ATTACHMENTS TO THIS REQUEST

- (1) Presentation slides

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

- October 22, 2025 – Commission Briefing: “Sustainable Airport Master Plan Near-Term Projects Environmental Review - Draft NEPA Environmental Assessment Findings and Public Comment Period”
- June 27, 2023 – Commission Action: “Sustainable Airport Master Plan (SAMP) Near-Term Projects Environmental Review – Update and Budget Increase”
- February 25, 2020 – Commission Action: “Sustainable Airport Master Plan (SAMP) Near-Term Projects (NTP) Environmental Review Briefing and Request for Additional Funds”

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January 28, 2020 – Commission Briefing: “Sustainable Airport Master Plan (SAMP) Near-Term Projects (NTP) Environmental Review Briefing – Forecast and Schedule Update”

February 26, 2019 – Commission Briefing: “Sustainable Airport Master Plan (SAMP) Near-Term Projects (NTP) Environmental Review Briefing – Scoping Report”

May 8, 2018 – Commission Briefing: “Sustainable Airport Master Plan (SAMP) Planning and Environmental Update”

February 13, 2018 - Commission Briefing: "Sustainable Airport Master Plan (SAMP) Planning Update"

Sustainable Airport Master Plan Near-Term Projects Environmental Review

Additional Contract Authorization

Budget Increase Justification

- Enhance outreach and engagement in NEPA and SEPA
- Additional analyses being conducted as a part of the Draft State Environmental Policy Act (SEPA) Environmental Impact Statement (EIS)
- Administrative contract cost escalations

Request

Authorization	Total
Previous authorization (11/10/2015)	\$3,000,000
Previous authorization (2/25/2021)	\$3,400,000
Previous authorization (6/27/2023)	\$2,350,000
Current request for authorization	\$1,000,000
Total authorizations, including this request	\$9,750,000

Next Steps

- Complete SEPA EIS technical analyses
- Enhance public outreach and engagement
- Publish Draft SEPA EIS for agency and public comment
- Respond to comments on the Draft SEPA EIS
- Publish Final SEPA EIS
- Issue SEPA Final Determination



**COMMISSION
AGENDA MEMORANDUM**

Item No. 10a

ACTION ITEM

Date of Meeting March 24, 2026

DATE: March 17, 2026

TO: Stephen P. Metruck, Executive Director

FROM: Elizabeth Morrison, Director Corporate Finance, Scott Bertram, Manager Corporate Finance

SUBJECT: Introduction of Resolution No. 3845 – Subordinate Lien Master Resolution Authorizing Revenue Bonds of the Port District to be issued in series to finance any legal purpose of the Port District; Introduction of Resolution No. 3846, amending Resolution No. 3777 – which amended Resolution No. 3456 Commercial Paper Authorization; and Resolution No. 3847, amending Resolution No. 3598 – Authorizing the issuance and sale of Subordinate Lien Revenue Refunding Bonds, Series 2008.

ACTION REQUESTED

Request introduction of:

1. Master Resolution No. 3845: A Resolution of the Commission of the Port of Seattle authorizing revenue bonds to be issued in series to finance any legal purpose of the Port; providing a subordinate lien upon revenues for the payment of such bonds; and making covenants and agreements in connection with the foregoing.
2. Series Resolution No. 3846, amending Resolution No. 3456, as previously amended by Resolution No. 3777, authorizing the issuance and sale of Subordinate Lien Revenue Notes (Commercial Paper)
3. Series Resolution No. 3847, amending Resolution No. 3598 - Authorizing the issuance and sale of Subordinate Lien Revenue Refunding Bonds, Series 2008

EXECUTIVE SUMMARY

The Port is seeking to modernize its Subordinate Lien debt structure by creating a new Subordinate Lien Master Resolution, which will govern all future Subordinate Lien Revenue Bonds. This new Subordinate Lien Master Resolution, if implemented, would update certain security provisions to current market standards while providing the Port with some added flexibility in managing current and future Subordinate Lien debt. The creation of this new Subordinate Lien Master Resolution will require amending existing resolutions governing our

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currently outstanding subordinate lien bonds, which include the commercial paper facility and the Series 2008 bonds, to match the covenants that will apply to future issuances.

BACKGROUND AND JUSTIFICATION

The Port's current revenue bond debt structure includes three liens of revenue bonds that have been used to fund a significant portion of the organization's capital needs over the past 30 years. These liens include the *First Lien*, *Intermediate Lien*, and *Subordinate Lien*, and as of January 3, 2026, the Port has outstanding \$146.2 million, \$4.47 billion, and \$230.3 million on these three liens, respectively.

The Port first issued Subordinate Lien Revenue Bonds in 1992, and this subordinate lien has been used primarily for the issuance of variable rate debt backed by bank provided letters of credit. Currently outstanding debt on the subordinate lien includes the Series 2008 Bonds and the commercial paper note program. Unlike most of the Port's debt, which has fixed interest rates, the 2008 bonds and the commercial paper notes have variable interest rates that are set or reset based on market conditions. Additionally, both are backed by bank provided letters of credit, which means investors are, in effect, buying the banks' credit rather than the Port's and have the banks' guarantee of payment.

Variable interest rates tend to be lower on average than long-term fixed interest rates. During the Great Recession and Pandemic, long-term interest rates were historically low and the Port used the opportunity to lock-in low fixed rates. Now that long-term interest rates have risen, the Port can achieve lower cost of debt by increasing its utilization of variable rate bonds and notes.

Variable rate obligations do carry some risks and the Port has safeguards to manage these risks and expects to continue to issue primarily fixed rate bonds while increasing its exposure to variable rate debt. Risks include:

- Interest rate risk. Increases in rates can add to the Port's variable rate debt service (interest) costs. However, those increases in rates would also apply to the Port's investment portfolio which would result in higher interest earnings.
- Remarketing risk. There are different types of variable rate debt but the Port has typically issued variable rate demand bonds backed by a letter of credit from a bank and commercial paper notes also backed by a letter of credit from a bank. The interest rate on variable rate demand bonds resets regularly (for example, weekly) through a remarketing process where the remarketing agent sets the interest rate at the lowest level needed to successfully remarket the bonds (i.e. the level where there is sufficient investor demand). Likewise, the interest rate on commercial paper notes is set each time the short-term notes are issued or rolled. There is a risk of remarketing failure where there is not sufficient investor demand for all the bonds or rolled notes and in this event the letter of credit bank purchases the bonds and the Port pays the bank a predetermined rate of interest until the bonds can be successfully remarketed. This remarketing failure occurred during the Great Recession. The Port has agreements with

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the banks that have been carefully negotiated to provide time to cure the problem before the Port needs to repay the bonds.

An additional benefit of the variable rate demand bond structure is flexible repayment terms. The Port has typically chosen to amortize its variable rate debt in order to avoid a large principal payment(s) in the final years, but the Port has also paused principal payments during times of stress. For example, during the pandemic, the Port paused principal payments temporarily, which reduced the debt service amount charged to the airlines.

DETAILS

All current and future *First Lien* and *Intermediate Lien* Revenue Bonds require a bond series authorization resolution (“series resolution”) that are governed by First Lien and Intermediate Lien Master Resolutions, respectively. These Master resolutions contain the overarching security provisions for each lien, while the series authorizing resolutions include structural terms specific to the series.

The Port’s *Subordinate Lien* Revenue Bonds, however, are not currently governed by a Master resolution on the lien, but rather only by resolutions authorizing each series of subordinate lien debt. Port staff recommends updating the bond structure on the subordinate lien to include a new Master resolution on this lien.

This new Subordinate Lien Master resolution will provide the overarching security provisions and framework for the subordinate lien that will apply to all future subordinate lien bonds. It will include modification of certain security provisions within the Port’s subordinate lien security structure, which will bring the terms more in line with market standards and provide the Port with additional flexibility in managing current and future subordinate lien debt. These modifications include:

- Providing the Port with flexibility within the rate covenant and additional bonds test calculations to apply certain revenue(s), including passenger and customer facility charges (PFCs and CFCs), not currently pledged to the repayment of the Port’s subordinate lien bonds.
- Changing the debt service coverage calculation to an aggregate calculation. This would be calculated as Port net revenues divided by all revenue bond debt service. The current calculation is lien specific – net revenues minus prior lien debt service divided by subordinate lien debt service. The new aggregate calculation provides the Port and its investors with a more meaningful representation of debt service coverage and is in line with how investors and credit rating agencies calculate debt service coverage.
- Change the additional bonds test threshold. The additional bonds test is provided to investors at the time of a new bond issue to demonstrate that the Port has adequate resources to pay its current debt service obligations as well as the new bonds the Port is seeking to issue. The current test is based on subordinate lien specific coverage of 1.50x.

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The new test will be based on aggregate debt service coverage, which is more commonly used in the industry, and requires a 1.05x aggregate debt service coverage (or 1.10x if the Port pledges PFCs and/or CFCs).

In addition to creating a new Master Subordinate Lien Resolution, the Port must also amend the existing series authorizing resolutions associated with its outstanding subordinate lien bonds to conform to the terms in the Master Subordinate Lien Resolution. The Series 2008 Bonds were authorized by Resolution No. 3598 in 2008, and the CP program was authorized by Resolution No. 3546 in 2001 and Amended by Resolution No. 3777 in 2020. The amendatory resolutions incorporate the new Master Subordinate Lien Resolution provisions into the existing resolutions and make certain timing and technical updates to conform to current requirements.

ATTACHMENTS TO THIS REQUEST

- (1) Draft Subordinate Lien Master Resolution No. 3845
- (2) Draft Series Resolution No. 3846, amending Resolution No. 3456, as previously amended by Resolution No. 3777
- (3) Draft Series Resolution No. 3847, amending Resolution No. 3598
- (4) Presentation

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

None

PORT OF SEATTLE

RESOLUTION NO. 3845

A RESOLUTION OF THE PORT COMMISSION OF THE PORT OF SEATTLE AUTHORIZING REVENUE BONDS OF THE PORT DISTRICT TO BE ISSUED IN SERIES TO FINANCE ANY LEGAL PURPOSE OF THE PORT DISTRICT; PROVIDING A SUBORDINATE LIEN UPON REVENUES OF THE PORT DISTRICT FOR THE PAYMENT OF SUCH BONDS; AND MAKING COVENANTS AND AGREEMENTS IN CONNECTION WITH THE FOREGOING.

ADOPTED: _____

Prepared by:

Pacifica Law Group LLP
Seattle, Washington

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

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

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

Authorizing Resolution Number	Date of Original Issue	Series	Original Principal Amount	Principal Amount Outstanding (as of 01/03/2026)	Final Maturity Date
3619	07/16/2009	(B-2)	\$ 22,000,326 ⁽¹⁾	\$ 57,572,236 ⁽¹⁾	05/01/2031
3721	08/02/2016	(B)	124,380,000	75,660,000	10/01/2032
3721	08/02/2016	(C)	6,180,000	3,395,000	10/01/2032
3787	06/30/2021		43,015,000	9,540,000	09/01/2026
				\$146,167,236	

⁽¹⁾ Series 2009B-2 Bonds are capital appreciation bonds; total principal amount outstanding includes accreted interest of \$40,174,645 through January 3, 2026.

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

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

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

Authorizing Resolution Number	Date of Original Issue	Series	Original Principal Amount	Principal Amount Outstanding (As of 01/03/2026)	Final Maturity Date
3709	08/06/2015	(C)	\$226,275,000	\$165,730,000	04/01/2040
3722	08/02/2016		99,095,000	84,555,000	02/01/2030
3735	08/22/2017	(A)	16,705,000	16,705,000	05/01/2028
3735	08/22/2017	(B)	264,925,000	161,930,000	05/01/2036
3735	08/22/2017	(C)	313,305,000	261,675,000	05/01/2042
3735	08/22/2017	(D)	93,230,000	23,830,000	05/01/2027
3749	06/21/2018	(A)	470,495,000	404,975,000	05/01/2043
3749	06/21/2018	(B)	85,145,000	32,225,000	05/01/2028
3758	08/07/2019		457,390,000	406,220,000	04/01/2044
3786	06/30/2021	(A)	47,025,000	9,430,000	12/01/2030
3786	06/30/2021	(B)	148,765,000	127,790,000	06/01/2040
3786	06/30/2021	(C)	514,390,000	443,015,000	08/01/2046
3786	06/30/2021	(D)	41,395,000	31,490,000	08/01/2031
3801	08/11/2022	(A)	206,200,000	190,155,000	08/01/2033
3801	08/11/2022	(B)	585,930,000	537,495,000	08/01/2047
3801	08/11/2022	(C)	70,435,000	34,975,000	08/01/2032
3826	08/15/2024	(A)	168,975,000	158,955,000	03/01/2040
3826	08/15/2024	(B)	648,940,000	632,855,000	07/01/2049
3837	08/21/2025	(A)	74,235,000	74,235,000	10/01/2050
3837	08/21/2025	(B)	650,460,000	650,460,000	10/01/2050
3837	08/21/2025	(C)	22,550,000	22,550,000	09/01/2032
				<u>\$4,471,250,000</u>	

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

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

Authorizing Resolution Number	Date of Original Issue	Authorized or Original Principal Amount	Principal Amount Outstanding (1/3/2026)	Final Maturity Date
3456 ⁽¹⁾	(CP)	\$ 400,000,000	\$120,000,000	06/01/2051
3598	06/17/2008	200,715,000	110,335,000	07/01/2033
			<u>\$230,335,000</u>	

⁽¹⁾ As amended by Resolution No. 3777, adopted on September 22, 2020.

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

WHEREAS, each of the resolutions, as amended, authorizing the issuance of the Outstanding Subordinate Lien Parity Bonds identified above (the “Outstanding Subordinate Lien Resolutions”) authorized the Port to issue revenue obligations having a lien and charge on Available Revenue (hereinafter defined) on a parity with the lien and charge thereon to pay the Outstanding Subordinate Lien Parity Bonds; and

WHEREAS, the Outstanding Subordinate Lien Resolutions authorize the Port to amend the covenants set forth therein from time to time by a Supplemental Resolution approved by the registered owners of 51% in aggregate principal amount of the then Outstanding Subordinate Lien Parity Bonds. The Outstanding Subordinate Lien Resolutions further deem any Credit Facility Issuer (as defined therein) to be the sole registered owner of any Outstanding Subordinate Lien Parity Bonds that are payable from the credit facility provided by such Credit Facility Issuer for the purpose of consenting to amendments, except for amendments that alter the interest rate on any Outstanding Subordinate Lien Parity Bonds, the maturity date, interest payment dates, purchase upon tender or redemption of any Outstanding Subordinate Lien Parity Bonds; and

WHEREAS, with the consent of each Credit Facility Issuer of a credit facility securing the

payment of the Outstanding Subordinate Lien Parity Bonds, the Port intends to amend the covenants set forth in the Outstanding Subordinate Lien Resolutions; and

WHEREAS, the Commission deems it advisable and in the best interest of the Port to adopt this resolution setting forth the covenants in the Outstanding Subordinate Lien Resolutions, as amended, and providing for subordinate lien revenue bonds of the Port to be hereafter issued for any of the Port's legal purposes on a parity with the Outstanding Subordinate Lien Parity Bonds under the provisions, terms and conditions of this resolution and pursuant to series resolutions adopted by the Commission from time to time; and

WHEREAS, the principal of and interest on the bonds authorized by this resolution shall be payable solely from Available Revenue and shall constitute a subordinate lien and charge against Gross Revenue as provided herein;

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

Section 1. Definitions and Interpretation.

(a) *Definitions.* As used in this resolution, the following words and phrases shall have the meanings hereinafter set forth unless the context clearly shall indicate that another meaning is intended:

Accreted Value means (a) with respect to any Capital Appreciation Bonds, as of any date of calculation, the sum of the initial principal amount of such Capital Appreciation Bonds plus the interest accumulated, compounded and unpaid thereon as of the most recent compounding date, or (b) with respect to Original Issue Discount Bonds, as of the date of calculation, the amount representing the initial public offering price of such Original Issue Discount Bonds plus the amount of discounted principal which has accreted since the date of issue.

Annual Debt Service means the total amount of Debt Service for all Prior Lien Bonds and Subordinate Lien Parity Bonds Outstanding, and, without duplication, with respect to any Derivative Product, in any fiscal year or Base Period.

Available Revenue means the Gross Revenue of the Port after providing for the payments set forth in paragraphs First through Eighth of Section 3(b) of this resolution. Notwithstanding the foregoing, the Port may adopt a resolution obligating and binding the Port to set aside and pay any part or parts of, or all of, or a fixed proportion of, or a fixed amount of other receipts (not previously included in Gross Revenue) at any time as additional security for any one or more series of Subordinate Lien Parity Bonds; provided that the Port has also obligated and bound itself to set aside and pay such receipts for the benefit of Prior Lien Bonds.

Balloon Maturity Bonds means any Prior Lien Bonds and Subordinate Lien Parity Bonds Outstanding that are so designated in their authorizing resolution or in a certificate of the Designated Port Representative executed on or prior to their date of issuance. Commercial Paper shall be deemed to be a Balloon Maturity Bond.

Bank Bond means any Subordinate Lien Parity Bonds purchased with proceeds of a Credit Facility or Liquidity Facility or Subordinate Lien Parity Bonds evidencing the Port's obligation to reimburse a Credit Facility Issuer or Liquidity Facility Issuer for the payment of the purchase price of or principal of or interest on any Subordinate Lien Parity Bond.

Base Period means any consecutive 12-month period selected by the Designated Port Representative out of the 30-month period preceding the date of issuance of the series of Future Subordinate Lien Parity Bonds then proposed to be issued.

Bond Counsel means a firm of lawyers nationally recognized and accepted as bond counsel and so employed by the Port for any purpose under this resolution applicable to the use of that term.

Capital Appreciation Bonds mean any Prior Lien Bonds and Subordinate Lien Parity Bonds Outstanding all or a portion of the interest on which is compounded, accumulated and payable only upon redemption or on the maturity date of such Prior Lien Bonds or Subordinate Lien Parity Bonds. If so provided in their authorizing resolution or a certificate of the Designated Port Representative executed on or prior to their date of issuance, Prior Lien Bonds or Subordinate Lien Parity Bonds may be deemed to be Capital Appreciation Bonds for only a portion of their term. On the date on which Prior Lien Bonds or Subordinate Lien Parity Bonds no longer are Capital Appreciation Bonds, they shall be deemed Outstanding in a principal amount equal to their Accreted Value.

Certificate Period means the period commencing with the fiscal year following the year in which the proposed series of Subordinate Lien Parity Bonds are to be issued and extending through the earlier of (a) the third fiscal year in which any portion of interest on the Future Subordinate Lien Parity Bonds then being issued no longer will be paid from the proceeds of such Future Subordinate Lien Parity Bonds and (b) the fifth fiscal year following the year in which the proposed series of Subordinate Lien Parity Bonds are to be issued.

Commercial Paper means any Prior Lien Bond or Subordinate Lien Parity Bond with a maturity not more than 270 days from its date of issuance.

Commission means the Commission of the Port, or any successor thereto as provided by law.

Consultant means at any time an independent consultant nationally recognized in marine

or aviation matters or an engineer or engineering firm or other expert appointed by the Port to perform the duties of the Consultant as required by this resolution. For the purposes of delivering any certificate required by Section 4(b)(3)(A)(ii) hereof, the term Consultant shall also include any independent national public accounting firm appointed by the Port to make such calculation or to provide such certificate or nationally-recognized municipal advisor appointed by the Port for purposes of making such calculation.

Credit Facility means a policy of municipal bond insurance, a letter of credit, surety bond, line of credit, guarantee, reimbursement agreement, or other financial instrument or any combination of the foregoing, which obligates a third party to make payment or provide funds for the payment of the purchase price of or the scheduled principal of and interest on Prior Lien Bonds or Subordinate Lien Parity Bonds. There may be one or more Credit Facilities outstanding at any time.

Credit Facility Issuer means the issuer of any Credit Facility.

Customer Facility Charge or ***CFC*** means any customer facility charge authorized pursuant to state law, including pursuant to RCW 14.08.120, as may be amended from time to time, and imposed upon customers of rental car companies accessing the Facilities for the purpose of financing, designing, constructing, operating and maintaining consolidated rental car facilities and common use transportation equipment and facilities which are used to transport the customer between the consolidated car rental facilities and other Facilities, or any successor provision approving such a charge or a similar charge or fee, and any interest, profits or other income derived from the investment thereof.

Debt Service means, for any period of time,

(a) with respect to any Outstanding Original Issue Discount Bonds or Capital Appreciation

Bonds that are not designated as Balloon Maturity Bonds, the principal amount thereof equal to the Accreted Value thereof maturing or scheduled for redemption in such period, plus the interest, if any, payable during such period;

- (b) with respect to any Outstanding Fixed Rate Bonds, an amount equal to (1) the principal amount coming due or subject to mandatory redemption during such period and for which no sinking fund installments have been established, (2) the amount of any payments required to be made during such period into any sinking fund established for the payment of such principal on the assumption that mandatory sinking fund installments will be applied to the redemption or retirement of such Prior Lien Bonds or Subordinate Lien Parity Bonds on the required redemption or retirement date, plus (3) all interest payable during such period on any such Prior Lien Bonds and Subordinate Lien Parity Bonds Outstanding;
- (c) with respect to all other series of Prior Lien Bonds and Subordinate Lien Parity Bonds Outstanding, other than Fixed Rate Bonds, Original Issue Discount Bonds or Capital Appreciation Bonds, specifically including but not limited to Balloon Maturity Bonds and Prior Lien Bonds and Subordinate Lien Parity Bonds bearing variable rates of interest, an amount for any period equal to the amount which would have been payable for principal and interest on such Prior Lien Bonds or Subordinate Lien Parity Bonds during such period computed on the assumption that the amount of such Prior Lien Bonds or Subordinate Lien Parity Bonds Outstanding as of the date of such computation would be amortized (1) in accordance with their scheduled maturities or required repayment dates, if any, and any mandatory redemption provisions (disregarding any put, mandatory tender or mandatory purchase provisions) set forth in or approved pursuant to their authorizing resolution, or if scheduled maturities, required repayment dates or mandatory redemption

provisions (disregarding any put, mandatory tender or mandatory purchase provisions) are not provided, over a 30-year period commencing with the first fiscal year following the date of computation to provide for essentially level annual debt service of principal and interest over such period and (2) at an interest rate equal to the greater of (A) the average of the applicable Variable Rate Index over the 10-year period ending the week immediately preceding the date of calculation plus 0.50%, and (B) the applicable Variable Rate Index in the week immediately preceding the date of calculation; and

- (d) with respect to Derivative Products, the Port Payments required by contract to be paid to a Reciprocal Payor under any existing Derivative Product, offset by the Reciprocal Payments during the relevant period, on the assumption that if any such payment is not fixed at the time of execution of the Derivative Product, the amount of such payment will be calculated at the Estimated Average Derivative Rate prevailing during the remaining term of the Derivative Product.

Debt Service shall include reimbursement obligations (and interest accruing thereon) owing to any Credit Facility Issuer or Liquidity Facility Issuer; provided that a Prior Lien Bond or Subordinate Lien Parity Bond and an unreimbursed reimbursement obligation arising with respect to such Prior Lien Bond or Subordinate Lien Parity Bond shall not be deemed to be Outstanding at the same time. With respect to any Prior Lien Bonds or Subordinate Lien Parity Bonds payable in other than U.S. Dollars, Debt Service shall be calculated as provided in or pursuant to their authorizing resolution. Debt Service shall be net of (1) any principal or interest funded out of Prior Lien Bond or Subordinate Lien Parity Bond proceeds and (2) any Debt Service Offset.

Debt Service Offset means receipts of the Port (such as PFCs or CFCs) that are not included

in Gross Revenue and that are legally available and pledged by the Port to pay debt service on Prior Lien Parity Bonds and/or Subordinate Lien Parity Bonds for a period not less than the duration of the Certificate Period.

Derivative Facility means a letter of credit, an insurance policy, a surety bond or other credit enhancement device, given, issued or posted as security for the Port's obligations under one or more Derivative Products.

Derivative Payment Date means any date specified in the Derivative Product on which a Port Payment is due and payable under the Derivative Product.

Derivative Product means a written contract or agreement between the Port and a Reciprocal Payor, which provides that the Port's obligations thereunder will be conditioned on the absence of: (i) a failure by the Reciprocal Payor to make any payment required thereunder when due and payable, and (ii) a default thereunder with respect to the financial status of the Reciprocal Payor; and

- (a) under which the Port is obligated to pay, on one or more scheduled and specified Derivative Payment Dates, the Port Payments in exchange for the Reciprocal Payor's obligation to pay or to cause to be paid to the Port, on the same scheduled and specified Derivative Payment Dates, the Reciprocal Payments;
- (b) under which Reciprocal Payments are to be made directly into a bond fund for Prior Lien Bonds or Subordinate Lien Parity Bonds Outstanding;
- (c) for which the Port Payments are either specified to be one or more fixed amounts or are determined according to a formula set forth in the Derivative Product; and
- (d) for which the Reciprocal Payments are either specified to be one or more fixed amounts or are determined according to a formula set forth in the Derivative Product.

Derivative Product Account means the Derivative Product Account, if any, created and established under Section 6 hereof or under another authorizing resolution.

Designated Port Representative means the Executive Director of the Port, the Deputy Executive Director of the Port or the Chief Financial Officer of the Port (or the successor in function to such person(s)) or such other person as may be directed by resolution of the Commission.

EMMA means the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system, located at www.emma.msrb.org, or any successor to its functions.

Estimated Average Derivative Rate means:

- (a) as to the variable rate payments to be made by a party under any Derivative Product,
 - (1) if the Port is the variable rate payor, the greater of the then-prevailing value of the formula set forth in the Derivative Product by which the variable rate payments to be paid by the Port are determined or the average of such variable rate formula during the immediately preceding 12 months;
 - (2) if the Reciprocal Payor is the variable rate payor, the lesser of the then prevailing value of the formula set forth in the Derivative Product by which the variable rate payments to be paid by the Reciprocal Payor are determined or the average of such variable rate formula during the immediately preceding 12 months; and
- (b) when the variable rate to be used in a Derivative Product is a designated hedge of one or more specified maturities of the variable rate Prior Lien Bonds or Subordinate Lien Parity Bonds, the variable rate or rates under the Derivative Product will be deemed to be the

same rate or rates estimated for the specified maturity or maturities of the specified Prior Lien Bonds or Subordinate Lien Parity Bonds; and

- (c) if two or more Derivative Products specify the same index and formula for determining and setting their respective variable rates, on the same dates, and for the same periods of time, and with respect to the identical derivative principal amounts, all such Derivative Products shall be deemed to have the same Estimated Average Derivative Rate, calculated in accordance with paragraphs (a)(1) and (a)(2) of this definition and, where applicable, with respect to the first of such Derivative Products to become effective.

Facilities mean all equipment and all property, real and personal, or any interest therein, whether improved or unimproved, now or hereafter (for as long as any Subordinate Lien Parity Bonds of the Port shall be Outstanding) owned, operated, used, leased or managed by the Port and that contribute in some measure to its Gross Revenue.

First Lien Bonds mean the Outstanding First Lien Bonds and any bonds issued by the Port pursuant to Section 5 of the First Lien Master Resolution, which provides that such bonds shall be on a parity of lien with other series of First Lien Bonds.

First Lien Master Resolution has the meaning set forth in the recitals, as such resolution may be amended in the future in accordance with its terms.

Fitch means Fitch Ratings, Inc., organized and existing under the laws of the State of Delaware, its successors and their assigns, and, if such organization shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, Fitch shall be deemed to refer to any other nationally recognized securities rating agency (other than S&P, Moody's or Kroll) designated by the Designated Port Representative.

Fixed Rate Bonds means Bonds other than Capital Appreciation Bonds, Original Issue

Discount Bonds or variable rate Balloon Maturity Bonds with a rate of interest on such Prior Lien Bonds or Subordinate Lien Parity Bonds that is fixed and determinable through their final maturity or for a specified period of time. If so provided in their authorizing resolution or a certificate of the Designated Port Representative executed on or prior to their date of issuance, Prior Lien Bonds or Subordinate Lien Parity Bonds may be deemed to be Fixed Rate Bonds for only a portion of their term.

Future Subordinate Lien Parity Bonds means revenue bonds or other revenue obligations issued by the Port in the future with a lien on Gross Revenue equal to the lien thereon of the Subordinate Lien Parity Bonds Outstanding, including without limitation any Bank Bond issued by the Port in the future with a lien on Gross Revenue equal to the lien thereon of the Subordinate Lien Parity Bonds Outstanding.

Gross Revenue means all income and revenue derived by the Port from any source whatsoever except:

- (a) the proceeds of any borrowing by the Port and the earnings thereon (other than earnings on proceeds deposited in reserve funds);
- (b) income and revenue that may not legally be pledged for revenue bond debt service;
- (c) passenger facility charges (PFCs), head taxes, federal grants or substitutes therefor allocated to capital projects;
- (d) payments made under Credit Facilities or Liquidity Facilities issued to pay or secure the purchase of or payment of a particular series of Prior Lien Bonds or Subordinate Lien Parity Bonds;
- (e) proceeds of insurance or condemnation proceeds other than business interruption insurance;
- (f) income and revenue of the Port separately pledged and used by it to pay and secure the

payment of the principal of and interest on any issue or series of Special Revenue Bonds of the Port issued to acquire, construct, equip, install or improve part or all of the particular facilities from which such income and revenue are derived, *provided that* nothing in this subparagraph (f) shall permit the withdrawal from Gross Revenue of any income or revenue derived or to be derived by the Port from any income producing facility that shall have been contributing to Gross Revenue prior to the issuance of such Special Revenue Bonds and that are not Released Revenues; and

(g) income from investments irrevocably pledged to the payment of bonds to be refunded under any refunding bond plan of the Port.

Notwithstanding the foregoing, the Port may elect to pledge other receipts at any time as additional security for any one or more series of obligations.

Intermediate Lien Parity Bonds means the Outstanding Intermediate Lien Bonds and any future revenue bonds issued pursuant to the Intermediate Lien Master Resolution with a lien on Available Intermediate Lien Revenues (as defined in the Intermediate Lien Master Resolution) on a parity with the lien thereon of the then Outstanding Intermediate Lien Bonds.

Intermediate Lien Master Resolution has the meaning set forth in the recitals, as such resolution may be amended in the future in accordance with its terms.

Kroll means Kroll Bond Rating Agency, Inc. and its successors and assigns, except that if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then the term Kroll shall be deemed to refer to any other nationally recognized securities rating agency (other than Moody's, Fitch or S&P) selected by the Designated Port Representative.

Liquidity Facility means a line of credit, standby purchase agreement or other financial

instrument or any combination of the foregoing, which obligates a third party to make payment or to provide funds for the payment of the purchase price of Prior Lien Bonds or Subordinate Lien Parity Bonds. There may be more than one Liquidity Facility providing funds for payment of the purchase price of Prior Lien Bonds or Subordinate Lien Parity Bonds if so provided in or pursuant to the Series Resolution or Series Resolutions.

Liquidity Facility Issuer means the issuer of any Liquidity Facility.

Maximum Annual Debt Service means the highest Annual Debt Service in any future fiscal year.

Moody's means Moody's Ratings, Inc., a corporation duly organized and existing under and by virtue of the laws of the State of Delaware, and its successors and assigns, except that if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then the term Moody's shall be deemed to refer to any other nationally recognized securities rating agency (other than Fitch or S&P or Kroll) selected by the Designated Port Representative.

Net Revenues means Gross Revenue less any part thereof that must be used to pay Operating Expenses.

Operating Expenses means the current expenses incurred for operation or maintenance of the Facilities (other than Special Facilities), as defined under generally accepted accounting principles, in effect from time to time, excluding any allowances for depreciation or amortization or interest on any obligations of the Port incurred in connection with and payable from Gross Revenue, and excluding Operating Expenses paid from sources other than Gross Revenue (e.g. from the Port's property tax levy). Operating Expenses may be further adjusted as may be necessary to reflect more fairly the Port's annual operating performance (e.g. to omit other non-cash items).

Original Issue Discount Bonds means Prior Lien Bonds or Subordinate Lien Parity Bonds that are sold at an initial public offering price of less than 95% of their face value and that are designated as Original Issue Discount Bonds in their authorizing resolution or a certificate of the Designated Port Representative on or prior to their date of issuance.

Other Revenue Available and Applied to Debt Service means income and revenue derived by the Port from any source whatsoever and not included in Gross Revenue (such as income or revenue generated by or attributable to PFCs, CFCs, or Special Facilities) that the Port receives in a fiscal year and uses to pay debt service on outstanding Prior Lien Bonds or Subordinate Lien Parity Bonds Outstanding in such fiscal year.

Outstanding, when used as of a particular time with reference to Prior Lien Bonds or Subordinate Lien Parity Bonds, means all Prior Lien Bonds Subordinate Lien Parity Bonds delivered pursuant to their authorizing resolution except:

- (a) Prior Lien Bonds or Subordinate Lien Parity Bonds cancelled by the Registrar or surrendered to the Registrar for cancellation;
- (b) Prior Lien Bonds or Subordinate Lien Parity Bonds paid or deemed to have been paid within the meaning of their authorizing resolution; and
- (c) Prior Lien Bonds or Subordinate Lien Parity Bonds in lieu of or in substitution for which replacement Prior Lien Bonds or Subordinate Lien Parity Bonds, as applicable, have been executed by the Port and delivered by the Registrar.

Notwithstanding the foregoing, Bank Bonds and other Prior Lien Bonds or Subordinate Lien Parity Bonds evidencing the Port's obligation to reimburse any Credit Facility Issuer or Liquidity Facility Issuer for the payment of the purchase price of, or principal of or interest on, any Prior Lien Bonds or Subordinate Lien Parity Bonds, as applicable, shall remain Outstanding until

the applicable Credit Facility Issuer or Liquidity Facility Issuer is paid all such amounts due.

Outstanding First Lien Bonds has the meaning set forth in the recitals hereto.

Outstanding Intermediate Lien Bonds has the meaning set forth in the recitals hereto.

Outstanding Subordinate Lien Parity Bonds has the meaning set forth in the recitals hereto.

Passenger Facility Charge or ***PFC*** means any charge collected pursuant to the authority granted by the Aviation Safety and Capacity Expansion Act of 1990 (49 U.S.C. § 40117), the Aviation Investment Reform Act of 2000 and 14 C.F.R. Part 158, as amended from time to time, and interest earnings thereon, net of amounts that collecting air carriers are entitled to retain for collecting, handling and remitting such passenger facility charge revenues.

Port means the Port of Seattle, a municipal corporation of the State of Washington, as now or hereafter constituted, or the corporation, authority, board, body, commission, department or officer succeeding to the principal functions of the Port or to whom the powers vested in the Port shall be given by law.

Port Payment means any payment, other than a termination or other nonscheduled payment, required to be made by or on behalf of the Port under a Derivative Product and which is determined according to a formula set forth in a Derivative Product.

Prior Lien Bonds means the First Lien Bonds, the Intermediate Lien Parity Bonds, the Reserved Lien Revenue Bonds, and any other revenue bonds that may be issued in the future at the discretion of the Port payable from Net Revenues as described in paragraphs Second through Eighth of Section 3(b) of this resolution and with a lien on Gross Revenue or Net Revenues superior to the lien thereon of the Subordinate Lien Parity Bonds.

Prior Lien Debt Service (Rate Covenant) means, for any fiscal year, the sum of the

amounts required to be deposited during such fiscal year from Net Revenues for the payment of the amounts described in paragraphs Second through Eighth of Section 3(b) of this resolution.

Qualified Insurance means any non-cancellable municipal bond insurance policy or surety bond issued by any insurance company licensed to conduct an insurance business in any state of the United States (or by a service corporation acting on behalf of one or more such insurance companies) which insurance company or companies, as of the time of issuance of such policy or surety bond, are rated in one of the three highest Rating Categories by one or more of the Rating Agencies for unsecured debt or insurance underwriting or claims paying.

Qualified Letter of Credit means any irrevocable letter of credit issued by a financial institution, which institution maintains an office, agency or branch in the United States and as of the time of issuance of such letter of credit, is rated in one of the three highest long-term Rating Categories by one or more of the Rating Agencies.

Rating Agency means Moody's, S&P, Fitch, Kroll, and/or another nationally recognized rating agency, provided such rating agency is then maintaining a rating on the applicable Series of First Lien Bonds or Subordinate Lien Parity Bonds at the request of the Port.

Rating Category means the generic rating categories of a Rating Agency, without regard to any refinement or gradation of such rating category by a numerical modifier or otherwise.

Reciprocal Payment means any payment to be made to, or for the benefit of, the Port under a Derivative Product by the Reciprocal Payor.

Reciprocal Payor means any bank or corporation, partnership or other entity who itself, or whose guarantor, has at the time the Derivative Product is entered into, at least an "A" rating from a Rating Agency then maintaining a rating on the applicable Prior Lien Bonds or Subordinate Lien Parity Bonds Outstanding, that is a party to a Derivative Product and that is obligated to make

one or more Reciprocal Payments thereunder.

Registered Owner means the person named as the registered owner of a Subordinate Lien Parity Bond on the register for such Subordinate Lien Parity Bond. For so long as the Subordinate Lien Parity Bonds are held by a Securities Depository or its nominee, such Securities Depository shall be deemed to be the Registered Owner.

Released Revenues means income or revenue of the Port previously included in Gross Revenue in respect of which the following have been delivered by or to the Port:

- (a) a certificate of the Designated Port Representative identifying the income or revenue to be removed from the definition of Gross Revenue and certifying the Port is in compliance with all requirements of this resolution;
- (b) a certificate of the Port or an independent certified public accountant to the effect that Net Revenue, excluding the income or revenues proposed to become Released Revenues, for each of the two audited fiscal years prior to the date of such certificate were equal to at least 110% of Maximum Annual Debt Service; and
- (c) an opinion of Bond Counsel to the effect that the exclusion of such revenues from the definition of Gross Revenue and from the pledge, charge and lien of this resolution will not in and of itself cause the interest on any Subordinate Lien Parity Bond issued as tax-exempt securities to be included in gross income for purposes of federal income tax.

Repair and Renewal Fund means the special fund authorized to be created pursuant to Section 2(b) of the First Lien Master Resolution.

Reserved Lien Revenue Bonds means those revenue bonds and other revenue obligations issued or incurred by the Port payable from Gross Revenue and having liens on Gross Revenue or

Net Revenues subordinate to that of the Intermediate Lien Parity Bonds and prior to the lien thereon of the Subordinate Lien Parity Bonds.

Revenue Fund means, collectively, the Port's general fund, airport development fund and any other fund established in the office of the Treasurer for the receipt of Gross Revenue.

SIFMA Municipal Swap Index means the Securities Industry and Financial Markets Association Municipal Swap Index or such other weekly, high-grade index comprised of seven-day, tax-exempt variable rate demand notes produced by Bloomberg, or its successor, or as otherwise designated by the Securities Industry and Financial Markets Association; *provided*, however, that, if such index is no longer produced by Bloomberg or its successor, then SIFMA Municipal Swap Index shall mean such other reasonably comparable index selected by the Designated Port Representative.

Series Resolution means a resolution adopted by the Commission authorizing the issuance of one or more series of Subordinate Lien Parity Bonds pursuant to the terms of this resolution.

Special Facilities means particular facilities financed with the proceeds of Special Revenue Bonds.

Special Revenue Bonds mean any issue or series of revenue bonds, revenue warrants or other revenue obligations of the Port issued to directly or indirectly acquire (by purchase, lease or otherwise), construct, equip, install or improve part or all of particular facilities (together with any revenue obligations issued to refund the foregoing), and which are payable from and secured by the income and revenue from such facilities.

SOFR Index means the forward-looking one month term rate based on the secured overnight financing rate that is published by CME Group Benchmark Administration Ltd. ("CME"), or its successor, and displayed on CME's Market Data Platform (or other commercially

available source providing such quotations); *provided*, however, that, if such rate is no longer provided by CME or its successor, then the SOFR Index shall mean such other reasonably comparable index selected by the Designated Port Representative.

S&P means S&P Global Ratings, Inc., and its successors and assigns, except that if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then the term S&P shall be deemed to refer to any other nationally recognized securities rating agency (other than Moody's or Fitch or Kroll) selected by the Designated Port Representative.

Subordinate Lien Bond Fund means the Port of Seattle Subordinate Lien Bond Fund created or maintained in the office of the Treasurer by authority granted in Section 3(a) of this resolution.

Subordinate Lien Parity Bonds mean the Outstanding Subordinate Lien Parity Bonds and any Future Subordinate Lien Parity Bonds, including without limitation any Bank Bonds issued in connection with the Outstanding Subordinate Lien Parity Bonds and any Bank Bonds issued in connection with Future Subordinate Lien Parity Bonds.

Subordinate Lien Parity Test means (1) if no Debt Service Offset is applied to Debt Service, Net Revenue equal to or greater than 1.05 times Annual Debt Service on all Prior Lien Bonds and Subordinate Lien Parity Bonds then Outstanding and the Future Subordinate Lien Parity Bonds then proposed to be issued, or (2) if any Debt Service Offset is applied to Debt Service, Net Revenue equal to or greater than 1.10 times Annual Debt Service on all Prior Lien Bonds and Subordinate Lien Parity Bonds then Outstanding and the Future Subordinate Lien Parity Bonds then proposed to be issued.

Subordinate Lien Rate Covenant means the covenant of the Port to establish, maintain and

collect rentals, tariffs, rates, fees, and charges in the operation of all of its business for as long as any Subordinate Lien Parity Bonds are Outstanding that will produce Net Revenue in each fiscal year at least equal to 100% of the amounts required to pay the following amounts coming due in such fiscal year:

(1) Prior Lien Debt Service (Rate Covenant), and

(2) without duplication and in connection with Subordinate Lien Parity Bonds:

(a) principal of and interest on any Subordinate Lien Parity Bond Outstanding that is not Commercial Paper and is not a Bank Bond,

(b) interest on any Commercial Paper that is Outstanding during such fiscal year,

(c) principal of and interest on any Bank Bond that is Outstanding during such fiscal year,

(d) any Port Payments due with respect to any Derivative Product and,

(e) to the extent not otherwise provided for in this definition, any amounts due to a Reciprocal Payor,

but excluding from each of the foregoing without duplication, payments made or to be made from Other Revenue Available and Applied to Debt Service, bond proceeds and other money irrevocably set aside for such payment.

Subordinate Lien Resolution means any Outstanding Subordinate Lien Resolution or Series Resolution authorizing the issuance of one or more series of Subordinate Lien Parity Bonds pursuant to this resolution.

Taxable Obligation means any Prior Lien Bond or Subordinate Lien Parity Bond the interest on which is taxable for federal income tax purposes.

Tax-Exempt Obligation means any Prior Lien Bond or Subordinate Lien Parity Bond the interest on which is tax-exempt or tax-advantaged for federal income tax purposes.

Treasurer means the Chief Financial Officer of the Port, or any other public officer as may hereafter be designated pursuant to law to have the custody of Port funds.

Variable Rate Index means, for Tax-Exempt Obligations, the SIFMA Municipal Swap Index and, for Taxable Obligations, the SOFR Index.

(b) *Interpretation.* In this resolution, unless the context otherwise requires:

- (1) The terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder,” and any similar terms, as used in this resolution, refer to this resolution as a whole and not to any particular article, section, subdivision or clause hereof, and the term “hereafter” shall mean as of and after, and the term “heretofore” shall mean before, the date of this resolution;
- (2) Words importing persons shall include firms, associations, partnerships (including limited partnerships), trusts, corporations, limited liability companies and other legal entities, including public bodies, as well as natural persons;
- (3) Any headings preceding the text of the several articles and sections of this resolution, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this resolution, nor shall they affect its meaning, construction or effect;
- (4) All references herein to “articles,” “sections” and other subdivisions or clauses are to the corresponding articles, sections, subdivisions or clauses hereof; and
- (5) Whenever any consent or direction is required to be given by the Port, such consent or direction shall be deemed given when given by the Designated Port Representative or their designee, respectively, and all references herein to the Designated Port Representative shall

be deemed to include references to their designee, as the case may be.

Section 2. Authorization of Subordinate Lien Parity Bonds; Subordinate Lien Bond Fund.

The Port may issue hereunder from time to time one or more series of Subordinate Lien Parity Bonds by means of a Series Resolution for any purpose of the Port now or hereafter permitted by law, provided that the Port shall comply with the terms and conditions for the issuance of Subordinate Lien Parity Bonds hereinafter set forth in this Section 2 and in Section 4 hereof.

Each series of Subordinate Lien Parity Bonds shall be authorized by a Series Resolution which shall, among other provisions, specify and provide for:

- (a) the authorized maximum principal amount, designation and series of such Subordinate Lien Parity Bonds;
- (b) the general purpose or purposes for which such series of Subordinate Lien Parity Bonds is being issued, and the deposit, disbursement and application of the proceeds of the sale of the Subordinate Lien Parity Bonds of such series;
- (c) the maximum interest rate or rates on the Subordinate Lien Parity Bonds of such series (which may be a rate of zero) or, if the interest rate or rates shall be variable, the method for determining such interest rates;
- (d) the circumstances, if any, under which the Subordinate Lien Parity Bonds of such series will be deemed to be no longer Outstanding;
- (e) the denominations of, and the manner of dating, numbering, and, if necessary, authenticating, the Subordinate Lien Parity Bonds of such series;
- (f) the place or places of payment of the principal, redemption price, if any, or purchase price, if any, of and interest on, the Subordinate Lien Parity Bonds of such series;
- (g) authorization for the selection of Credit Facility Issuers, Liquidity Facility Issuers, paying

agent or paying agents, remarketing agent or remarketing agents, if any, tender agent or tender agents, if any, Registrar or Registrars, if any, for the Subordinate Lien Parity Bonds of such series and the duties and obligations thereof;

- (h) the form of and manner of holding the Subordinate Lien Parity Bonds of such series, and the methods, if necessary, for the registration, transfer and exchange of the Subordinate Lien Parity Bonds of such series;
- (i) the terms and conditions, or authorization for the Executive Director to approve the terms and conditions, if any, for the redemption of the Subordinate Lien Parity Bonds of such series prior to maturity, including the redemption date or dates, the redemption price or prices and other applicable redemption terms;
- (j) the terms and conditions, or authorization for the Executive Director to approve the terms and conditions, if any, for the purchase of the Subordinate Lien Parity Bonds of such series upon any optional or mandatory tender for purchase prior to maturity, including the tender date or dates, the purchase date or dates, the purchase price or prices and other applicable terms;
- (k) the manner of sale, or authorization for the Executive Director to establish the manner of sale, of the Subordinate Lien Parity Bonds of such series, with or without a premium or a discount, including the sale of Original Issue Discount Bonds;
- (l) authorization of, or authorization for the Designated Port Representative to approve, including any terms and conditions with respect to, any Credit Facility or Liquidity Facility for the Subordinate Lien Parity Bonds of such series and the pledge or provision of moneys, assets or security other than Net Revenues to or for the payment of the Subordinate Lien Parity Bonds of such series or any portion thereof;

- (m) if so determined by the Port, any special funds or accounts for the Subordinate Lien Parity Bonds of such series and the application of moneys or security therein in addition to the Subordinate Lien Bond Fund;
- (n) the amount, if any, to be deposited or credited to any reserve account(s) securing Subordinate Lien Parity Bonds or authorization for the Designated Port Representative to approve such amount, if any; and
- (o) any other provisions which the Port deems necessary or desirable in connection with the Subordinate Lien Parity Bonds of such series.

Section 3. Subordinate Lien Bond Fund.

(a) *Subordinate Lien Bond Fund.* A special fund of the Port designated the “Port of Seattle Subordinate Lien Revenue Bond Fund” (the “Subordinate Lien Bond Fund”) is hereby authorized to be created or maintained in the office of the Treasurer for the purpose of paying and securing the payment of Subordinate Lien Parity Bonds. The Subordinate Lien Bond Fund shall be held separate and apart from all other funds and accounts of the Port and shall be a trust fund for the owners of the Subordinate Lien Parity Bonds.

The Port hereby irrevocably obligates and binds itself for as long as any Subordinate Lien Parity Bonds remain Outstanding, or any amount is owed to any Credit Facility Issuer or any Liquidity Facility Issuer in connection with any Subordinate Lien Parity Bonds, to set aside and pay into the Subordinate Lien Bond Fund from Available Revenue or money in the Revenue Fund, on or prior to the respective dates the same become due (and if such payment is made on the due date, such payment shall be made in immediately available funds):

- (1) Such amounts as are required to pay the interest scheduled to become due on Subordinate Lien Parity Bonds Outstanding (including payment of and without

duplication amounts required to be paid to Credit Facility Issuers and/or Liquidity Facility Issuers for the payment of interest on Subordinate Lien Parity Bonds Outstanding); and

- (2) Such amounts with respect to Subordinate Lien Parity Bonds Outstanding as are required (A) to pay maturing principal, (B) to make any required sinking fund payments, and (C) to redeem Subordinate Lien Parity Bonds Outstanding in accordance with any mandatory redemption provisions (including payment of and without duplication amounts required to be paid to Credit Facility Issuers and/or Liquidity Facility Issuers for the payment of the purchase price of or principal of Subordinate Lien Parity Bonds Outstanding).

(b) Priority of Use of Gross Revenue. The Port's Gross Revenue shall be deposited in the Revenue Fund as collected. The Revenue Fund shall be held separate and apart from all other funds and accounts of the Port, and the Gross Revenue deposited therein shall be used only for the following purposes and in the following order of priority:

First, to pay Operating Expenses not paid from other sources;

Second, to make all payments, including sinking fund payments, required to be made into the debt service account(s) within any redemption fund maintained for First Lien Bonds to pay the principal of and interest and premium, if any, on any First Lien Bonds;

Third, to make all payments required to be made into any reserve account(s) maintained for First Lien Bonds to secure the payment of any First Lien Bonds;

Fourth, to make all payments required to be made into any other revenue bond redemption fund and debt service account or reserve account created therein to pay and secure the payment of the principal of, premium, if any, and interest on any revenue bonds or other revenue

obligations of the Port having liens upon the Net Revenues or Gross Revenue and the money in the Revenue Fund junior and inferior to the lien thereon for the payment of the principal of, premium, if any, and interest on any First Lien Bonds, but prior to the lien thereon of Intermediate Lien Parity Bonds;

Fifth, to make payments necessary to be paid into any bond fund or debt service account created to pay principal of and interest on Intermediate Lien Parity Bonds, including to reimburse or pay any Credit Facility Issuer or Liquidity Facility Issuer for the payment of principal of and interest on or purchase price of Intermediate Lien Parity Bonds, and, without duplication, to make Port Payments due with respect any Derivative Product on a parity with the lien of the Intermediate Lien Parity Bonds;

Sixth, to make all payments required to be made into any reserve account securing Intermediate Lien Parity Bonds;

Seventh, to make payments necessary to be paid into any bond fund or debt service account to pay the principal of and interest on Reserved Lien Revenue Bonds, including to reimburse or pay any Credit Facility Issuer or Liquidity Facility Issuer for the payment of principal of and interest on or purchase price of Reserved Lien Revenue Bonds, and, without duplication, to make Port Payments due with respect any Derivative Product on a parity with the lien of the Reserved Lien Revenue Bonds;

Eighth, to make all payments required to be made into any reserve account(s) securing Reserved Lien Revenue Bonds;

Ninth, to make payments necessary to be paid into any bond fund or debt service account created to pay the debt service on Subordinate Lien Parity Bonds, including, but not limited to the Subordinate Lien Bond Fund, if any, to pay the principal of and interest on Subordinate Lien

Parity Bonds, including to reimburse or pay any Credit Facility Issuer or Liquidity Facility Issuer for the payment of principal of and interest on or purchase price of Subordinate Lien Parity Bonds, and, without duplication, to make Port Payments due with respect any Derivative Product on a parity with the lien of the Subordinate Lien Parity Bonds Outstanding;

Tenth, to make all payments required to be made into any reserve account(s) securing Subordinate Lien Parity Bonds;

Eleventh, to make all payments required to be made into the Repair and Renewal Fund under the terms of the First Lien Master Resolution to maintain any required balance therein; and

Twelfth, to retire by redemption or purchase any outstanding revenue bonds or other revenue obligations of the Port as authorized in the various resolutions of the Commission authorizing their issuance or to make necessary additions, betterments, improvements and repairs to or extension and replacements of the Facilities, or any other lawful Port purposes.

(c) Lien on Gross Revenue Subject to Prior Priorities. Subordinate Lien Parity Bonds issued pursuant to the Outstanding Subordinate Lien Resolutions and this resolution and the lien thereof created and established hereunder shall be obligations only of the Subordinate Lien Bond Fund, herein authorized to be created. The Subordinate Lien Parity Bonds shall be payable solely from Available Revenue and secured solely by the subordinate lien on Gross Revenue provided herein; *provided, however*, that any series of Subordinate Lien Parity Bonds also may be payable from and secured by a Credit Facility pledged specifically to or provided for that series of Subordinate Lien Parity Bonds.

So long thereafter as any Subordinate Lien Parity Bonds remain Outstanding or any amount is owed to any Credit Facility Issuer or any Liquidity Facility Issuer, the Port hereby irrevocably

pledges and obligates and binds itself to set aside and pay into the Subordinate Lien Bond Fund out of Available Revenue, on or prior to the date on which the interest on, premium, if any, or principal of and interest on such Subordinate Lien Parity Bonds shall become due, the amount necessary to pay such interest, premium, or principal and interest coming due on such Subordinate Lien Parity Bonds (and reimbursement obligations to any Credit Facility Issuer or Liquidity Facility Issuer for the payment of principal of and interest on or purchase price on Subordinate Lien Parity Bonds).

Said amounts so pledged to be paid into the Subordinate Lien Bond Fund are hereby declared to be a prior lien and charge upon the Gross Revenue superior to all other charges of any kind or nature whatsoever except for Operating Expenses and except for the lien on Gross Revenue of the Prior Lien Bonds and except that the amounts so pledged are of equal lien to the liens and charges on Gross Revenue of the Subordinate Lien Parity Bonds Outstanding and to the lien and charge which may hereafter be made to pay and secure the payment of the principal of and interest on any Future Subordinate Lien Parity Bonds.

Subordinate Lien Parity Bonds shall not in any manner or to any extent constitute general obligations of the Port or of the State of Washington, or of any political subdivision of the State of Washington, and no tax revenues of the Port may be used to pay the principal of and interest on the Subordinate Lien Parity Bonds.

Section 4. Prior Lien Bonds and Future Subordinate Lien Parity Bonds.

(a) *Prior Lien Bonds and Intermediate Lien Parity Bonds.* As provided in the First Lien Master Resolution, the Port reserves the right to issue one or more series of First Lien Bonds for any purpose of the Port now or hereafter permitted by law, provided that the Port shall comply with the terms and conditions for the issuance of First Lien Bonds set forth in the First Lien Master

Resolution. In addition, the Port also reserves the right to issue obligations payable from Net Revenue as described in paragraphs Fourth through Eighth of Section 3(b) of this resolution, and having lien(s) on Gross Revenue or Net Revenues prior to the lien of the Subordinate Lien Parity Bonds, including without limitation Intermediate Lien Parity Bonds (which can be issued on the terms set forth in the Intermediate Lien Master Resolution) and Reserved Lien Revenue Bonds. Such obligations shall be subject to such terms, conditions and covenants set forth in their respective authorizing resolutions.

(b) Future Subordinate Lien Parity Bonds - General Provisions. The Port hereby further covenants and agrees with the Owners of each of the Subordinate Lien Parity Bonds for as long as any of the same remain Outstanding that it will not issue any Future Subordinate Lien Parity Bonds that constitute a charge and lien upon the Gross Revenue equal to the lien thereon of the Subordinate Lien Parity Bonds then Outstanding, unless the following conditions are satisfied.

- (1) Future Subordinate Lien Parity Bonds may be issued only if there is not then existing and continuing a Default under this resolution; provided, however, that Future Subordinate Lien Parity Bonds may be issued for refunding purposes under subsection (c) below if the Default will be cured as a result of the refunding.
- (2) Future Subordinate Lien Parity Bonds shall be issued pursuant to this resolution and authorized by a Series Resolution of the Commission.
- (3) Either of the following conditions (A) or (B) below shall be satisfied.

(A) Certificate Required. Unless the Port is able to meet the criteria set forth in (B) below, a certificate shall be filed with the Port demonstrating fulfillment of the Subordinate Lien Parity Test in each fiscal year during the Certificate Period. As to any Future Subordinate Lien Parity Bonds in the form of

Commercial Paper or another Subordinate Lien Parity Bond that may be issued from time to time up to a not-to-exceed principal amount (or up to the available commitment), a certificate may, at the Port's discretion, be delivered based on (1) the not-to-exceed principal amount of the Commercial Paper or other Subordinate Lien Parity Bond authorized to be issued, (2) based on the not-to-exceed principal amount available to be issued (such as the available commitment in connection with a direct purchase Subordinate Lien Parity Bond or as Subordinate Lien Parity Bonds secured by a Credit Facility or Liquidity Facility), or (3) based on the principal amounts actually issued from time to time.

- i. The certificate may be delivered by the Port without a Consultant if the Net Revenue, based upon the financial statements of the Port for the Base Period, corroborated by the certified statements of the Division of Municipal Corporations of the State Auditor's office of the State of Washington, or any successor to the duties thereof, or by an independent certified public accounting firm, is sufficient such that the Subordinate Lien Parity Test will be fulfilled in each fiscal year during the Certificate Period.
- ii. Alternatively, a Consultant may deliver the certificate. In making the computations of Net Revenue for the purpose of certifying compliance with the Subordinate Lien Parity Test, the Consultant shall use as a basis the Net Revenue for the Base Period. In making such computations the Consultant shall make such adjustments as

the Consultant deems reasonable.

(B) No Certificate Required. A certificate shall not be required as a condition to the issuance of Future Subordinate Lien Parity Bonds:

- i. if the Future Subordinate Lien Parity Bonds are being issued for refunding purposes upon compliance with the provisions of subsection (c) of this section; or
- ii. if the Future Subordinate Lien Parity Bonds are being issued to pay Costs of Construction of Facilities for which indebtedness has been issued previously and the principal amount of such indebtedness being issued for completion purposes does not exceed an amount equal to an aggregate of 15% of the principal amount of indebtedness theretofore issued for such Facilities and reasonably allocable to the Facilities to be completed as shown in a written certificate of the Designated Port Representative, and there is delivered a Consultant's certificate stating that the nature and purpose of such Facilities have not materially changed.

(c) Future Subordinate Lien Parity Bonds for Refunding Purposes. The Port may issue Future Subordinate Lien Parity Bonds for refunding purposes, as follows:

- (1) Future Subordinate Lien Parity Bonds may be issued at any time for the purpose of refunding (including by purchase) Subordinate Lien Parity Bonds including amounts to pay principal thereof and redemption premium, if any, and interest thereon to the date of redemption (or purchase), any deposits to a reserve account or to purchase a Qualified Letter of Credit or Qualified Insurance and the

expenses of issuing the Future Subordinate Lien Parity Bonds to purchase or refund the same and of effecting such refunding upon delivery of a certificate as provided in subsection (b)(1)(3)(A) above. Such refunding Future Subordinate Lien Parity Bonds also may be issued without a certificate if Maximum Annual Debt Service after the issuance of such refunding Future Subordinate Lien Parity Bond will not exceed Maximum Annual Debt Service prior to the issuance of such refunding Future Subordinate Lien Parity Bonds.

(2) Future Subordinate Lien Parity Bonds may be issued at any time for the purpose of refunding (including by purchase) any Prior Lien Bonds or Subordinate Lien Parity Bonds including amounts to pay principal thereof and redemption premium, if any, and interest thereon to the date of redemption of such bonds (or purchase), any deposits to a reserve account or to purchase a Qualified Letter of Credit or Qualified Insurance and the expenses of issuing the Future Subordinate Lien Parity Bonds to purchase or refund the same and of effecting such refunding, provided that prior to the issuance of such Future Subordinate Lien Parity Bonds the Port must provide a certificate if required by this section.

(3) Future Subordinate Lien Parity Bonds may be issued for the purpose of refunding (including by purchase) at any time within one year prior to maturity any Prior Lien Bonds or Subordinate Lien Parity Bonds then Outstanding, provided that such bonds are Prior Lien Bonds or Subordinate Lien Parity Bonds, for the payment of which sufficient Net Revenue or other money are not available, without the requirement of a certificate pursuant to this section.

(d) Liens Subordinate to Subordinate Lien Parity Bonds. Nothing herein contained shall

prevent the Port from issuing revenue bonds or other obligations that are a charge upon the Gross Revenue junior or inferior to the payments required by this resolution to be made out of such Gross Revenue to pay and secure the payment of any Subordinate Lien Parity Bonds. Such junior or inferior obligations shall not be subject to acceleration. This prohibition against acceleration shall not be deemed to prohibit the term out of any reimbursement obligation, to prohibit any mandatory tender or other tender provisions or to prohibit the payment of a termination amount with respect to a derivative product.

Section 5. Covenants. The Port hereby makes the following covenants and agrees with the owners and holders of each of the Subordinate Lien Parity Bonds for as long as any of the same remain Outstanding.

(a) *Subordinate Lien Rate Covenant.* The Port will at all times establish, maintain and collect rentals, tariffs, rates, fees, and charges in the operation of all of its business for as long as any Subordinate Lien Parity Bonds are Outstanding or any Credit Facility or any Liquidity Facility is in effect that will produce Net Revenue in each fiscal year at least equal to the amounts required to meet the Subordinate Lien Rate Covenant. If the Net Revenue in any fiscal year is less than required to meet the Subordinate Lien Rate Covenant, then the Port will post a notice to EMMA within 60 days after completion of the financial statement audit for the fiscal year (1) showing the deficiency and (2) providing a timeframe for development by the Port of a written plan to address the deficiency.

The Port will prepare a written plan to revise schedules of rentals, tariffs, rates, fees and/or charges, reduce operating costs, modify the manner of operating one or more Facilities, or take other steps to meet the Subordinate Lien Rate Covenant in the next fiscal year, and may amend the Plan as necessary to effectuate implementation. If the Commission has

taken the steps set forth in the written plan and the Net Revenue in the fiscal year in which adjustments under the plan are made nevertheless is not sufficient to meet the Subordinate Lien Rate Covenant, there shall be no default under this Section 5(a) during such fiscal year, unless the Port fails to meet the Subordinate Lien Rate Covenant for three consecutive fiscal years including the fiscal year that was the subject of the notice of deficiency.

- (b) *Performance of Covenants.* The Port will duly and punctually pay or cause to be paid out of the Subordinate Lien Bond Fund the principal of and interest on the Subordinate Lien Parity Bonds at the times and places as provided in this resolution and in said Subordinate Lien Parity Bonds provided and will at all times faithfully perform and observe any and all covenants, undertakings and provisions contained in this resolution and in the Subordinate Lien Parity Bonds.
- (c) *Maintenance of Facilities.* The Port will at all times keep and maintain or cause to be kept or maintained all of the Facilities in good repair, working order and condition and will at all times operate or cause to be operated the same and the business or businesses in connection therewith in an efficient manner and at a reasonable cost.
- (d) *Sale or Condemnation of Projects.* In the event that any Project or portion thereof is sold by the Port or is condemned pursuant to the power of eminent domain, the Port will apply the net proceeds of such sale or condemnation to other Facilities or to the retirement of Prior Lien Bonds or Subordinate Lien Parity Bonds Outstanding.
- (e) *Insurance of Facilities.* The Port will keep or arrange to keep all Facilities insured, if such insurance is obtainable at reasonable rates and upon reasonable conditions, against such risks, in such amounts, and with such deductibles as the Commission or the Designated Port Representative shall deem necessary.

(f) *Insurance against Port Liability.* The Port will at all times keep or arrange to keep in full force and effect policies of public liability and property damage insurance which will protect the Port against anyone claiming damages of any kind or nature, if such insurance is obtainable at reasonable rates and upon reasonable conditions, in such amounts and with such deductibles as the Commission or the Designated Port Representative shall deem necessary.

(g) *Maintenance of Books and Records.* The Port will keep and maintain proper books of account and accurate records of all of its revenue, including tax receipts, received from any source whatsoever, and of all costs of administration and maintenance and operation of all of its business that are in accordance with generally accepted accounting principles as in effect from time to time. On or before 120 days after each fiscal year the Port will prepare or cause to be prepared an operating statement of all of the business of the Port for such preceding fiscal year. Each such annual statement shall contain a statement in detail of the Gross Revenue, tax receipts, expenses of administration, expenses of normal operation, expenses of normal and extraordinary maintenance and repair, and expenditures for capital purposes of the Port for such fiscal year and shall contain a statement as of the end of such year showing the status of all funds and accounts of the Port pertaining to the operation of its business and the status of all of the funds and accounts created by various resolutions of the Commission authorizing the issuance of outstanding bonds and other obligations payable from the Gross Revenue. Copies of such statements shall be placed on file in the main office of the Port and shall be open to inspection at any reasonable time by the owners of Subordinate Lien Parity Bonds.

Section 6. Derivative Products. The following shall be conditions precedent to the delivery

of any Derivative Product on a parity with Subordinate Lien Parity Bonds:

- (a) *General Parity Tests.* The Derivative Product must satisfy the requirements for Future Subordinate Lien Parity Bonds described in Section 4(b) of this resolution.
- (b) *Opinion of Bond Counsel.* The Port shall obtain an opinion of its Bond Counsel on the due authorization and execution of such Derivative Product opining that the action proposed to be taken by the Port is authorized or permitted by this resolution and by Washington law or the applicable provisions of any resolution authorizing Future Subordinate Lien Parity Bonds and is not prohibited by the resolutions that authorized the issuance of the Subordinate Lien Parity Bonds then Outstanding, as amended or supplemented and will not adversely affect the exclusion from gross income for federal income tax purposes of the interest on any Subordinate Lien Parity Bonds then Outstanding.
- (c) *Payments.* Each Derivative Product shall set forth the manner in which the Port Payments and Reciprocal Payments are to be calculated and a schedule of Derivative Payment Dates.
- (d) *Supplemental Agreements to Govern Derivative Products.* Prior to entering into a Derivative Product, the Commission shall adopt a resolution, which shall:
 - (1) create and establish an account to be entitled the “Derivative Product Account” or provide for some other way to account for the use of a Derivative Product; establish general provisions for the retention of Available Revenues in amounts sufficient to make, when due, Port Payments;
 - (2) establish general provisions for the rights of providers of Derivative Products or Derivative Facilities; and
 - (3) set forth such other matters as the Port deems necessary or desirable in connection with the management of Derivative Products as are not clearly inconsistent with the

provisions of this resolution.

Except as may be otherwise provided in the resolution establishing a Derivative Product Account, additional Subordinate Lien Parity Bonds may be delivered in connection with any Derivative Product. Any termination payments under Derivative Products shall be subordinate to Subordinate Lien Parity Bonds.

Section 7. Defaults and Remedies. The Port hereby finds and determines that the failure or refusal of the Port or any of its officers to perform the covenants and obligations of this resolution will endanger the operation of the Facilities and the application of Gross Revenue and such other money, funds and securities to the purposes herein set forth. Any one or more of the following shall constitute a Default under this resolution:

- (a) The Port shall fail to make payment of the principal of any Subordinate Lien Parity Bonds, including without limitation any Bank Bond, when the same shall become due and payable whether by maturity or scheduled redemption prior to maturity or other required repayment date;
- (b) The Port shall fail to make payments of any installment of interest on any Subordinate Lien Parity Bonds, including without limitation any Bank Bond, when the same shall become due and payable; or
- (c) The Port shall default in the observance or performance of any other covenants, conditions, or agreements on the part of the Port contained in this resolution, and such default shall have continued for a period of 90 days; however, if such default cannot be reasonably cured within such 90-day period, the Port shall have such additional time (not to exceed a total cure period of 180 days) as reasonably necessary to cure the default provided that the Port commences cure within 90 days

and diligently pursues cure thereafter.

Upon the occurrence and continuation of a Default, a Credit Facility Issuer of a Credit Facility that supports the payment of principal of and interest on Subordinate Lien Parity Bonds shall be entitled to exercise, on behalf of such Subordinate Lien Parity Bondowners, any of the remedies provided under this section and, such Credit Facility Issuer shall be the only party entitled to exercise the remedies with respect to such Subordinate Lien Parity Bonds provided under this section. The rights granted to any such Credit Facility Issuer shall be disregarded and be of no effect if the Credit Facility Issuer has failed to honor a properly presented and conforming drawing on its Credit Facility. There shall be no waiver of a Default hereunder with respect to the Subordinate Lien Parity Bonds unless the Registrar shall have received from the Credit Facility Issuer a written rescission of its default notice and shall be assured that the Credit Facility or Liquidity Facility, as the case may be, has been fully reinstated.

There may not be any acceleration of the Subordinate Lien Parity Bonds. This prohibition against acceleration shall not be deemed to prohibit the term out of any Bank Bond or other reimbursement obligation to any Credit Facility Issuer or Liquidity Facility Issuer, to prohibit any mandatory tender or other tender provisions or to prohibit the payment of a termination amount with respect to a Derivative Product.

Upon the occurrence of a Default and so long as such Default shall not have been remedied and subject to the foregoing paragraph, a Bondowners' Trustee may be appointed for the Subordinate Lien Parity Bonds by the owners of 51% in principal amount of the Subordinate Lien Parity Bonds Outstanding by an instrument or concurrent instruments in writing signed and acknowledged by such Subordinate Lien Parity Bondowners or by their attorneys-in-fact duly authorized and delivered to such Bondowners' Trustee, notification thereof being given to the Port.

Any Bondowners' Trustee appointed under the provisions of this Section shall be a bank or trust company organized under the laws of a state or a national banking association. The fees and expenses of a Bondowners' Trustee shall be borne by the Bondowners and not by the Port. The bank or trust company acting as a Bondowners' Trustee may be removed at any time, and a successor Bondowners' Trustee may be appointed by the owners of 51% in principal amount of the Subordinate Lien Parity Bonds Outstanding, by an instrument or concurrent instruments in writing signed and acknowledged by such Subordinate Lien Parity Bondowners or by their attorneys-in-fact duly authorized.

The Bondowners' Trustee appointed in the manner herein provided, and each successor thereto, is hereby declared to be a trustee for the owners of all the Subordinate Lien Parity Bonds for which such appointment is made and is empowered to exercise all the rights and powers herein conferred on the Bondowners' Trustee, subject to the rights herein conferred on Credit Facility Issuers.

A Bondowners' Trustee may upon the happening of a Default and during the continuation thereof, take such steps and institute such suits, actions or other proceedings in its own name, or as trustee, all as it may deem appropriate for the protection and enforcement of the rights of Subordinate Lien Parity Bondowners to collect any amounts due and owing the Port, or to obtain other appropriate relief, and may enforce the specific performance of any covenant, agreement or condition contained in this resolution.

Any action, suit or other proceedings instituted by a Bondowners' Trustee hereunder shall be brought in its name as trustee for the Subordinate Lien Parity Bondowners and all such rights of action upon or under any of the Subordinate Lien Parity Bonds or the provisions of this resolution may be enforced by a Bondowners' Trustee without the possession of any of said

Subordinate Lien Parity Bonds, and without the production of the same at any trial or proceedings relating thereto except where otherwise required by law, and the respective owners of said Subordinate Lien Parity Bonds by taking and holding the same, shall be conclusively deemed irrevocably to appoint a Bondowners' Trustee the true and lawful trustee to the respective owners of said Subordinate Lien Parity Bonds, with authority to institute any such action, suit or proceeding; to receive as trustee and deposit in trust any sums that become distributable on account of said Subordinate Lien Parity Bonds; to execute any paper or documents for the receipt of such moneys, and to do all acts with respect thereto that the Subordinate Lien Parity Bondowner might have done in person. Nothing herein contained shall be deemed to authorize or empower any Bondowners' Trustee to consent to accept or adopt, on behalf of any owner of said Subordinate Lien Parity Bonds, any plan of reorganization or adjustment affecting the said Subordinate Lien Parity Bonds or any right of any owner thereof, or to authorize or empower the Bondowners' Trustee to vote the claims of the owners thereof in any receivership, insolvency, liquidation, bankruptcy, reorganization or other proceeding to which the Port shall be a party.

No owner of any one or more of the Subordinate Lien Parity Bonds shall have any right to institute any action, suit or proceedings at law or in equity for the enforcement of the same, unless Default shall have happened and be continuing, and unless no Bondowners' Trustee has been appointed as herein provided, but any remedy herein authorized to be exercised by a Bondowners' Trustee may be exercised individually by any Subordinate Lien Parity Bondowner, in the owner's own name and on the owner's own behalf or for the benefit of all Subordinate Lien Parity Bondowners, in the event no Bondowners' Trustee has been appointed, or with the consent of the Bondowners' Trustee if such Bondowners' Trustee has been appointed; provided however, that nothing in this resolution or in the Subordinate Lien Parity Bonds shall affect or impair the

obligation of the Port which is absolute and unconditional, to pay from Available Revenue the principal of and interest on said Subordinate Lien Parity Bonds to the respective owners thereof at the respective due dates therein specified, or affect or impair the right of action, which is absolute and unconditional, of such owners to enforce such payments.

The remedies herein conferred upon or reserved to the owners of the Subordinate Lien Parity Bonds and to a Bondowners' Trustee are not intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. The privileges herein granted shall be exercised from time to time and continued so long as and as often as the occasion therefor may arise and no waiver of any default hereunder, whether by a Bondowners' Trustee or by the owners of Bonds, shall extend to or shall affect any subsequent default or shall impair any rights or remedies consequent thereon. No delay or omission of the Subordinate Lien Parity Bondowners or of a Bondowners' Trustee to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein.

Upon any such waiver, such Default shall cease to exist, and any Default arising therefrom shall be deemed to have been cured, for every purpose of this resolution; but no such waiver shall extend to any subsequent or other default or impair any right consequent thereon.

The Registered Owner of each of the Subordinate Lien Parity Bonds or a trustee for the Registered Owners of any of the Subordinate Lien Parity Bonds may by mandamus or other appropriate proceeding require the transfer and payment of money as directed in this resolution.

Section 8. Amendments without Registered Owners Consent. This resolution may be amended or supplemented from time to time, without the consent of the Registered Owners by a

Supplemental Resolution adopted by the Commission for one or more of the following purposes:

- (a) pursuant to a Series Resolution to provide for the issuance of a Series or multiple Series of Subordinate Lien Parity Bonds under the provisions of Section 4 hereof and to set forth the terms of such Subordinate Lien Parity Bonds and the special provisions which shall apply to such Subordinate Lien Parity Bonds;
- (b) to cure any formal defect, omission, inconsistency or ambiguity in, or answer any questions arising under, this Resolution or any Series Resolution, provided such supplement or amendment is not materially adverse to the Subordinate Lien Parity Bondholders;
- (c) to add to the covenants and agreements of the Port in this Resolution or any Series Resolution other covenants and agreements, or to surrender any right or power reserved or conferred upon the Port, provided such supplement or amendment shall not adversely affect the interests of the Subordinate Lien Parity Bondholders;
- (d) to confirm, as further assurance, any interest of the Subordinate Lien Parity Bondholders in and to the pledge of Available Revenue or to otherwise add additional security for the Subordinate Lien Parity Bondholders;
- (e) to evidence any change made in the terms of any Series of Bonds if such changes are authorized by the Series Resolution at the time the Series of Bonds is issued and such change is made in accordance with the terms of such Series Resolution;
- (f) to comply with the requirements of the Trust Indenture Act of 1939, as amended from time to time;
- (g) to modify, alter, amend or supplement this Resolution or any Series Resolution in any other respect that is not materially adverse to the Subordinate Lien Parity Bondholders;
- (h) to provide for uncertificated Subordinate Lien Parity Bonds or for the issuance of coupons

and bearer Subordinate Lien Parity Bonds or Subordinate Lien Parity Bonds registered only as to principal;

- (i) to make modifications or adjustments necessary, appropriate or desirable to accommodate the use of a Credit Facility or Liquidity Facility for specific Subordinate Lien Parity Bonds or a specific Series of Subordinate Lien Parity Bonds;
- (j) to provide for the issuance of the Subordinate Lien Parity Bonds pursuant to a book-entry system or as uncertified registered public obligations;
- (k) to make such additions, deletions, or modifications as may be necessary or desirable to assure exemption from federal income taxation of interest on any tax-exempt Subordinate Lien Parity Bonds;
- (l) for any other purpose that does not materially and adversely affect the interests of the Owners of the Subordinate Lien Parity Bonds, including without limitation to qualify the Subordinate Lien Parity Bonds or a Series of Subordinate Lien Parity Bonds for a rating or ratings from a Rating Agency or to accommodate the technical, operational and structural features of Bonds that are issued or are proposed to be issued, including, but not limited to, changes needed to accommodate commercial paper, swaps, variable rate or adjustable rate bonds, discounted or compound interest bonds or other forms of indebtedness that the Port, from time to time deems appropriate to incur; and
- (m) for any purpose, if such amendment becomes effective only following a mandatory tender of all Bonds for purchase.

Section 9. Amendments with Registered Owners Consent. This resolution may be amended from time to time by a Supplemental Resolution approved by the Registered Owners of 51% in aggregate principal amount of the Subordinate Lien Parity Bonds Outstanding; provided, that:

- (a) no amendment shall be made which affects the rights of some but fewer than all of the Registered Owners of the Subordinate Lien Parity Bonds Outstanding without the consent of the Registered Owners of 51% in aggregate principal amount of the Subordinate Lien Parity Bonds so affected, and
- (b) except as expressly authorized hereunder, no amendment that alters the interest rates on any Subordinate Lien Parity Bonds, the maturity date, interest payment dates, purchase upon tender or redemption provisions of any Subordinate Lien Parity Bonds, this Section 9(b) without the consent of the Registered Owners of all Subordinate Lien Parity Bonds Outstanding affected thereby.

For the purpose of consenting to amendments under this Section 9 except for amendments that alter the interest rate on any Subordinate Lien Parity Bonds, the maturity date, interest payment dates, purchase upon tender or redemption of any Subordinate Lien Parity Bonds, the Credit Facility Issuer shall be deemed to be the sole Registered Owner of the Subordinate Lien Parity Bonds that are payable from such Credit Facility and that are then Outstanding.

Section 10. Contract; Severability. The covenants in this resolution shall constitute a contract for the benefit of the Registered Owners, and the Registered Owners shall be entitled to enforce the provisions hereof in accordance with its terms. If any one or more of the covenants or agreements provided in this resolution to be performed on the part of the Port shall be declared by any court of competent jurisdiction and final appeal (if any appeal be taken) to be contrary to law, then such covenant or covenants, agreement or agreements, shall be null and void and shall be deemed separable from the remaining covenants and agreements in this resolution and shall in no way affect the validity of the other provisions of this resolution or of the Subordinate Lien Parity Bonds.

ADOPTED by the Port Commission of the Port of Seattle at a regular meeting thereof held this ____ day of _____, 2026, and duly authenticated in open session by the signatures of the Commissioners present and voting in favor thereof.

PORT OF SEATTLE, WASHINGTON

Commissioners

CERTIFICATE

I, the undersigned, Secretary of the Port Commission (the “Commission”) of the Port of Seattle, Washington (the “Port”), DO HEREBY CERTIFY:

1. That the attached resolution numbered 3845 (the “Resolution”), is a true and correct copy of a resolution of the Port, as finally adopted at a meeting of the Commission held on the ____ day of _____, 2026, and duly recorded in my office.

2. That said meeting was duly convened and held in all respects in accordance with law, and to the extent required by law, due and proper notice of such meeting was given; that a quorum of the Commission was present throughout the meeting and a legally sufficient number of members of the Commission voted in the proper manner for the adoption of said Resolution; that all other requirements and proceedings incident to the proper adoption of said Resolution have been duly fulfilled, carried out and otherwise observed, and that I am authorized to execute this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this ___ day of _____, 2026.

Secretary

Item Number: 10a_reso_2
Meeting Date: March 24, 2026

RESOLUTION NO. 3846

A RESOLUTION of the Port Commission of the Port of Seattle, amending Resolution No. 3456, as previously amended by Resolution No. 3777, authorizing the issuance and sale of Subordinate Lien Revenue Notes (Commercial Paper), in series from time to time in an aggregate principal amount not to exceed \$400,000,000; amending definitions, requirements with respect to the Subordinate Lien Bond Fund, provisions permitting the issuance of additional bonds, bond covenants, defaults and remedies, permitted amendments, and related provisions; and making technical amendments.

Prepared by:

PACIFICA LAW GROUP LLP
Seattle, Washington

Adopted: _____, 2026

PORT OF SEATTLE
RESOLUTION NO. 3846
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RESOLUTION NO. 3846

A RESOLUTION of the Port Commission of the Port of Seattle, amending Resolution No. 3456, as previously amended by Resolution No. 3777, authorizing the issuance and sale of Subordinate Lien Revenue Notes (Commercial Paper), in series from time to time in an aggregate principal amount not to exceed \$400,000,000; amending definitions, requirements with respect to the Subordinate Lien Bond Fund, provisions permitting the issuance of additional bonds, bond covenants, defaults and remedies, permitted amendments, and related provisions; and making technical amendments.

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

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

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

Authorizing Resolution Number	Date of Original Issue	Series	Original Principal Amount	Principal Amount Outstanding (as of 01/03/2026)	Final Maturity Date
3619	07/16/2009	(B-2)	\$ 22,000,326 ⁽¹⁾	\$ 57,572,236 ⁽¹⁾	05/01/2031
3721	08/02/2016	(B)	124,380,000	75,660,000	10/01/2032
3721	08/02/2016	(C)	6,180,000	3,395,000	10/01/2032
3787	06/30/2021		43,015,000	9,540,000	09/01/2026
				\$146,167,236	

⁽¹⁾ Series 2009B-2 Bonds are capital appreciation bonds; total principal amount outstanding includes accreted interest of \$40,174,645 through January 3, 2026.

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

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

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

<u>Authorizing Resolution Number</u>	<u>Date of Original Issue</u>	<u>Series</u>	<u>Original Principal Amount</u>	<u>Principal Amount Outstanding (As of 01/03/2026)</u>	<u>Final Maturity Date</u>
3709	08/06/2015	(C)	\$226,275,000	\$165,730,000	04/01/2040
3722	08/02/2016		99,095,000	84,555,000	02/01/2030
3735	08/22/2017	(A)	16,705,000	16,705,000	05/01/2028
3735	08/22/2017	(B)	264,925,000	161,930,000	05/01/2036
3735	08/22/2017	(C)	313,305,000	261,675,000	05/01/2042
3735	08/22/2017	(D)	93,230,000	23,830,000	05/01/2027
3749	06/21/2018	(A)	470,495,000	404,975,000	05/01/2043
3749	06/21/2018	(B)	85,145,000	32,225,000	05/01/2028
3758	08/07/2019		457,390,000	406,220,000	04/01/2044
3786	06/30/2021	(A)	47,025,000	9,430,000	12/01/2030
3786	06/30/2021	(B)	148,765,000	127,790,000	06/01/2040
3786	06/30/2021	(C)	514,390,000	443,015,000	08/01/2046
3786	06/30/2021	(D)	41,395,000	31,490,000	08/01/2031
3801	08/11/2022	(A)	206,200,000	190,155,000	08/01/2033
3801	08/11/2022	(B)	585,930,000	537,495,000	08/01/2047
3801	08/11/2022	(C)	70,435,000	34,975,000	08/01/2032
3826	08/15/2024	(A)	168,975,000	158,955,000	03/01/2040
3826	08/15/2024	(B)	648,940,000	632,855,000	07/01/2049
3837	08/21/2025	(A)	74,235,000	74,235,000	10/01/2050
3837	08/21/2025	(B)	650,460,000	650,460,000	10/01/2050
3837	08/21/2025	(C)	22,550,000	22,550,000	09/01/2032
				<u>\$4,471,250,000</u>	

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

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

Authorizing Resolution Number	Date of Original Issue	Original Principal Amount	Principal Amount Outstanding (1/3/2026)	Final Maturity Date
3456 ⁽¹⁾	(CP)	\$ 400,000,000	\$120,000,000	06/01/2051
3598	06/17/2008	200,715,000	110,335,000	07/01/2033
			<u>\$230,335,000</u>	

⁽¹⁾ As amended by Resolution No. 3777, adopted on September 22, 2020.

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

WHEREAS, the Outstanding Subordinate Lien Resolutions authorize amendments thereto from time to time by a Supplemental Resolution approved by the registered owners of 51% in aggregate principal amount of the then Outstanding Subordinate Lien Parity Bonds; and

WHEREAS, the issuer of a Credit Facility that is an irrevocable direct pay letter of credit securing Subordinate Lien Revenue Notes (Commercial Paper) is considered the Registered Owner of such Notes for purposes of granting any consent to an amendment or supplement that requires Registered Owner consent, except for amendments that alter the interest rates on any Notes, the maturity date or Interest Payment Dates of any; and

WHEREAS, with the consent of the issuer of the Credit Facility that is an irrevocable direct pay letter of credit securing Subordinate Lien Revenue Notes (Commercial Paper), the Port intends to amend the covenants set forth in the Outstanding Subordinate Lien Resolutions, specifically including Resolution No. 3456, as amended by Resolution No. 3777 (as amended, the “Original Resolution”); and

WHEREAS, the Port now desires to amend the Original Resolution pursuant to Sections 6.07 and 6.08 thereof;

WHEREAS, the Commission deems it advisable and in the best interest of the Port to adopt this resolution amending the Original Resolution;

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

ARTICLE I AMENDMENTS

Section 1.01. Definitions (Amended).

Section 1.01 of the Original Resolution is hereby amended to read as set forth in this section. Additions and deletions from the Original Resolution are shown as marked text, with additions double underlined and deletions struck:

Unless the context otherwise requires, the following terms shall have the following meanings:

Accreted Value has the meaning set forth in Exhibit A ~~means (1) with respect to any Capital Appreciation Bonds, as of any date of calculation, the sum of the amount set forth in a Subordinate Lien Resolution as the amount representing the initial principal amount of such Subordinate Lien Parity Bonds plus the interest accumulated, compounded and unpaid thereon as of the most recent compounding date, or (2) with respect to Original Issue Discount Bonds, as of the date of calculation, the amount representing the initial public offering price of such Subordinate Lien Parity Bonds plus the amount of discounted principal which has accreted since the date of issue. In each case the Accreted Value shall be determined in accordance with the provisions of the Subordinate Lien Resolution authorizing the issuance of such Subordinate Lien Parity Bonds.~~

~~**Aggregate Annual Debt Service** means the sum of (a) Annual Debt Service for all Subordinate Lien Parity Bonds, and (b) annual debt service for all Subordinate Lien Parity Bonds authorized but unissued under a Subordinate Lien Resolution unless such unissued Subordinate Lien Parity Bonds are authorized to provide permanent financing in connection with the issuance of short term obligations and, without duplication, Annual Debt Service with respect to any Derivative Product.~~

Aggregate Interest Coverage means, with respect to any Notes payable from drawings under a Credit Facility (and including, if applicable, all currently outstanding notes issued under the 1997 Program until such outstanding notes are paid and retired) that is an irrevocable direct pay letter of credit, as of any date, the aggregate amount of Interest Coverage determined with respect to all Notes payable from drawings under that direct pay letter of credit, including Notes then proposed to be issued as additional Notes payable from drawings under a Credit Facility that is an irrevocable direct pay letter of credit, including all Interest Periods then in effect.

Alternate Credit Facility or Facilities means one or more policy(ies) of municipal bond insurance, letter of credit, surety bond, line of credit, guarantee or other financial instrument or any combination of the foregoing, which obligates a third party to make payment or provide funds for the payment of financial obligations of the Port, including but not limited to payment of the scheduled principal of and interest on one or more Notes. An Alternate Credit Facility may, but is not required to provide only liquidity support rather than liquidity and credit support. There may be one or more Credit Facilities outstanding at any time providing for the payment of the principal of and interest on Notes. Ten days' prior notice of any proposed substitution or assignment of an Alternate Credit Facility shall be given by the Registrar to the Registered Owners.

~~*Annual Debt Service* has the meaning set forth in Exhibit A means the total amount of Debt Service for any series of Subordinate Lien Parity Bonds outstanding and, without duplication, with respect to any Derivative Product, in any fiscal year or Base Period.~~

Authorized Denominations means \$100,000 and any integral multiple of \$5,000 in excess thereof.

~~*Available Revenue* has the meaning set forth in Exhibit A means the Gross Revenue of the Port after providing for the payments set forth in paragraphs First, Second, Third and Fourth of Section 4.01(b) of this resolution. Notwithstanding the foregoing, the Port may adopt a resolution obligating and binding the Port to set aside and pay any part or parts of, or all of, or a fixed proportion of, or a fixed amount of other receipts (not previously included in Gross Revenue) at any time as additional security for any one or more series of Subordinate Lien Parity Bonds.~~

~~*Balloon Maturity Bonds* has the meaning set forth in Exhibit A and shall include the Notes means the Subordinate Lien Revenue Bonds, Series 1997, the Subordinate Lien Revenue Bonds, Series 1999A and Series 1999B, the Notes, the Reimbursement Notes and any Future Subordinate Lien Parity Bonds which are so designated in the Subordinate Lien Resolution pursuant to which such Future Subordinate Lien Parity Bonds are issued. Commercial paper (obligations with a maturity of not more than 270 days from the date of issuance) shall be deemed to be Balloon Maturity Bonds. Balloon Maturity Bonds may include indebtedness bearing fixed or variable rates of interest during their term.~~

Bank means Bank of America, N.A. with respect to the Letter of Credit – Bank of America, and Bayerische Landesbank Girozentrale, acting through its New York Branch, with

respect to the Letter of Credit – Bayerische, and the term also shall include the issuer of any Alternate Credit Facility.

Bank Bond has the meaning set forth in Exhibit A

Base Period ~~has the meaning set forth in Exhibit A~~ ~~means any consecutive 12-month period selected by the Port out of the 30-month period next preceding the date of issuance of an additional series of Future Subordinate Lien Parity Bonds.~~

Beneficial Owner means the beneficial owner of all or a portion of a Note while the Note is in fully immobilized form.

Bond Counsel means a firm of lawyers nationally recognized and accepted as bond counsel and so employed by the Port for any purpose under this resolution applicable to the use of that term.

Business Day, with respect to any Note, means a day (a) other than a day on which banks in Seattle, Washington or New York, New York or the city in which demands for payment are to be presented under any Credit Facility are authorized or required to remain closed and (b) on which the New York Stock Exchange is not closed.

Capital Appreciation Bonds ~~has the meaning set forth in Exhibit A~~ ~~means Subordinate Lien Parity Bonds all or a portion of the interest on which is compounded, accumulated and payable only upon redemption or on the maturity date of such Subordinate Lien Parity Bonds. If so provided in the Subordinate Lien Resolution authorizing their issuance, Subordinate Lien Parity Bonds may be deemed to be Capital Appreciation Bonds for only a portion of their term. On the date on which Subordinate Lien Parity Bonds no longer are Capital Appreciation Bonds, they shall be deemed Outstanding in a principal amount equal to their Accreted Value.~~

Capital Fund - A means the account by that name maintained by the Port or in the office of the Treasurer of the Port for the purpose of holding certain proceeds of the Series A Notes.

Capital Fund - B means the account by that name maintained by the Port or in the office of the Treasurer of the Port for the purpose of holding certain proceeds of the Series B Notes.

Code means the Internal Revenue Code of 1986, as amended, together with corresponding and applicable final, temporary or proposed regulations or revenue rulings issued or amended with respect thereto by the U.S. Treasury Department or the Internal Revenue Service, to the extent applicable to the Notes.

Commercial Paper has the meaning set forth in Exhibit A.

Commission means the Commission which is the general governing authority of the Port, or any successor thereto as provided by law.

~~**Consultant** has the meaning set forth in Exhibit A means at any time an independent consultant nationally recognized in marine or aviation matters or an engineer or engineering firm or other expert appointed by the Port to perform the duties of the Consultant as required by this resolution. For the purposes of delivering any certificate required by Section 4.04 hereof and making the calculation required by Section 4.04 hereof, the term Consultant shall also include any independent national public accounting firm appointed by the Port to make such calculation or to provide such certificate or nationally recognized financial advisor appointed by the Port for purposes of making such calculation.~~

Costs of Construction means all costs paid or incurred by the Port in connection with the acquisition and construction of capital additions, improvements and betterments to and extensions of the Facilities, and the placing of the same in operation, including, but without limiting the generality of the foregoing, paying all or a portion of the interest on the series of

Subordinate Lien Parity Bonds or any portion thereof issued to finance or refinance the costs of such improvements or to pay maturing Subordinate Lien Parity Bonds of such series during the period of construction of such improvements and for a period of time thereafter; paying amounts required to meet any reserve requirement for the fund or account established or maintained for such series of Subordinate Lien Parity Bonds from the proceeds thereof; paying or reimbursing the Port or any fund thereof or any other person for expenses incident and properly allocable to the acquisition and construction of said improvements and the placing of the same in operation; and all other items of expense incident and properly allocable to the acquisition and construction of said additions and improvements, the financing of the same and the placing of the same in operation.

Credit Facility ~~as the meaning set forth in Exhibit A means either Letter of Credit Bayerische and Letter of Credit Bank of America and/or any Alternate Credit Facility then in effect. The term “Credit Facility” is not intended to include the “Total Unutilized Commitment” (as such term is defined in the Reimbursement Agreement — Bayerische).~~

Customer Facility Charge or CFC has the meaning set forth in Exhibit A.

Date of Commercial Operation means the date upon which any Facilities are first ready for normal continuous operation or, if portions of the Facilities are placed in normal continuous operation at different times, shall mean the midpoint of the dates of continuous operation of all portions of such Facilities, as estimated by the Port or, if used with reference to Facilities to be acquired, shall mean the date on which such acquisition is final.

Dealer means each dealer for Notes pursuant to a Dealer Agreement. Lehman Brothers Inc. is herein appointed as the initial Dealer for the Notes.

Dealer Agreement means an agreement of that name between the Port and a Dealer.

Debt Service has the meaning set forth in Exhibit A ~~means, for any period of time,~~

~~————— (a) ——— with respect to any outstanding Original Issue Discount Bonds or Capital Appreciation Bonds which are not designated as Balloon Maturity Bonds in the Subordinate Lien Resolution authorizing their issuance, the principal amount thereof equal to the Accreted Value thereof maturing or scheduled for redemption in such period, and the interest payable during such period;~~

~~————— (b) ——— with respect to any outstanding Fixed Rate Bonds, an amount equal to (1) the principal amount of such outstanding Fixed Rate Bonds due or subject to mandatory redemption during such period and for which no sinking fund installments have been established, (2) the amount of any payments required to be made during such period into any sinking fund established for the payment of the principal of any such outstanding Fixed Rate Bonds, plus (3) all interest payable during such period on any such Fixed Rate Bonds outstanding and with respect to outstanding Fixed Rate Bonds with mandatory sinking fund requirements, calculated on the assumption that mandatory sinking fund installments will be applied to the redemption or retirement of such outstanding Fixed Rate Bonds on the date specified in the Subordinate Lien Resolution authorizing such Fixed Rate Bonds; and~~

~~————— (c) ——— with respect to all other series of Subordinate Lien Parity Bonds outstanding, other than Fixed Rate Bonds, Original Issue Discount Bonds or Capital Appreciation Bonds, specifically including but not limited to Balloon Maturity Bonds and Subordinate Lien Parity Bonds bearing variable rates of interest, an amount for any period equal to the amount which would have been payable for principal and interest on such Subordinate Lien Parity Bonds during such period computed on the assumption that the amount of Subordinate Lien Parity Bonds outstanding as of the date of such computation would be~~

~~amortized (i) in accordance with the mandatory redemption provisions, if any, set forth in the Subordinate Lien Resolution authorizing the issuance of such Subordinate Lien Parity Bonds, or if mandatory redemption provisions are not provided, during a period commencing on the date of computation and ending on the date 30 years after the date of issuance to provide for essentially level annual debt service of principal and interest over such period and (ii) at an interest rate equal to the yield to maturity set forth in the 40-Bond Index published in the edition of *The Bond Buyer* (or comparable publication or such other similar index selected by the Port with the approval of the Consultant, if applicable) selected by the Port and published within 10 days prior to the date of calculation or, if such calculation is being made in connection with the certificate required by Section 4.04 hereof, then 10 or fewer days prior to the date of such certificate.~~

~~————— (d) ——— with respect to Derivative Products, the Port Payments required by contract to be paid to a Reciprocal Payor under any existing Derivative Product, offset by the Reciprocal Payments during the same period during the relevant period, on the assumption that if any such payment is not fixed at the time of execution of the Derivative Product, the amount of such payment will be calculated at the Estimated Average Derivative Rate prevailing during the remaining term of the Derivative Product.~~

~~With respect to any Subordinate Lien Parity Bonds payable in other than U. S. Dollars, Debt Service shall be calculated as provided in the Subordinate Lien Resolution authorizing the issuance of such Bonds. Debt Service shall be net of any interest funded out of Subordinate Lien Parity Bond proceeds. Debt Service also shall be net of any principal funded out of Subordinate Lien Parity Bond proceeds and shall be net of any principal and/or interest (not including any amounts deposited to any reserve account for payment of principal and/or interest) funded from proceeds of any Permitted Prior Lien Bonds or any other obligations thereafter issued for such~~

purposes. ~~Debt Service shall include reimbursement obligations (and interest accruing thereon) to providers of Credit Facilities to the extent authorized in a Subordinate Lien Resolution.~~

Debt Service Offset has the meaning set forth in Exhibit A.

Derivative Facility means a letter of credit, an insurance policy, a surety bond or other credit enhancement device, given, issued or posted as security for obligations under one or more Derivative Products.

Derivative Payment Date means any date specified in the Derivative Product on which a Port Payment is due and payable under the Derivative Product.

Derivative Product has the meaning set forth in Exhibit A ~~means a written contract or agreement between the Port and a Reciprocal Payor, which provides that the Port's obligations thereunder will be conditioned on the absence of: (i) a failure by the Reciprocal Payor to make any payment required thereunder when due and payable, and (ii) a default thereunder with respect to the financial status of the Reciprocal Payor; and~~

~~_____ (a) _____ under which the Port is obligated to pay, on one or more scheduled and specified Derivative Payment Dates, the Port Payments in exchange for the Reciprocal Payor's obligation to pay or to cause to be paid to the Port, on the same scheduled and specified Derivative Payment Dates, the Reciprocal Payments; i.e., the contract must provide for net payments;~~

~~_____ (b) _____ for which the Port's obligations to make all or any portion of Port Payments may be secured by a pledge of and lien on Net Revenues on an equal and ratable basis with the outstanding Subordinate Lien Parity Bonds;~~

~~_____ (c) _____ under which Reciprocal Payments are to be made directly into a bond fund for outstanding Subordinate Lien Parity Bonds;~~

~~————— (d) ——— for which the Port Payments are either specified to be one or more fixed amounts or are determined according to a formula set forth in the Derivative Product; and~~

~~————— (e) ——— for which the Reciprocal Payments are either specified to be one or more fixed amounts or are determined according to a formula set forth in the Derivative Product.~~

Derivative Product Account means the Derivative Product Account, if any, created and established under Section 4.06(d) hereof.

Designated Port Representative has the meaning set forth in Exhibit A~~means the Executive Director of the Port, the Deputy Executive Director of the Port or the Chief Financial Officer of the Port (or the successor in function to such person(s)) or such other person as may be appointed by such person in writing delivered to each Bank and the Registrar.~~

Drawing means a request for funds as specified in a Credit Facility.

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

Electronic Means means telecopy, telegraph, telex, facsimile transmission, time sharing terminal or any electronic means of communication that produces a written record.

EMMA has the meaning set forth in Exhibit A.

Estimated Average Derivative Rate has the meaning set forth in Exhibit A~~means:~~

~~(a) ——— as to the variable rate payments to be made by a party under any Derivative Product,~~

~~————— (i) ——— if the Port is the variable rate payor, the greater of the then-prevailing value of the formula set forth in the Derivative Product by which the variable rate payments to be paid by the Port are determined or the average of such variable rate formula during the immediately preceding 12 months; or~~

~~————— (ii) — if the Reciprocal Payor is the variable rate payor, the lesser of the then prevailing value of the formula set forth in the Derivative Product by which the variable rate payments to be paid by the Reciprocal Payor are determined or the average of such variable rate formula during the immediately preceding 12 months; and~~

~~————— (b) — when the variable rate to be used in a Derivative Product is a designated hedge of one or more specified maturities of the variable rate Subordinate Lien Parity Bonds, the variable rate or rates under the Derivative Product will be deemed to be the same rate or rates estimated for the specified maturity or maturities of the specified Subordinate Lien Parity Bonds; and~~

~~————— (c) — if two or more Derivative Products each specify the same index and formula for determining and setting their respective variable rates, on the same dates, and for the same periods of time, and with respect to identical derivative principal amounts, all such Derivative Products shall be deemed to have the same Estimated Average Derivative Rate, calculated in accordance with paragraphs (a)(i) and (a)(ii) of this definition and, where applicable, with respect to the first of such Derivative Products to become effective.~~

~~*Facilities* has the meaning set forth in Exhibit A means all equipment and all property, real and personal, or any interest therein, whether improved or unimproved, now or hereafter (for as long as any Subordinate Lien Parity Bonds of the Port shall be outstanding) owned, operated, used, leased or managed by the Port and which contribute in some measure to its Gross Revenue.~~

~~*Favorable Opinion of Bond Counsel* means, with respect to any action, a written legal opinion of Bond Counsel, to the effect that such action is permitted under the laws of the State and this resolution and, if a Series of Notes has been issued on a tax-exempt basis will not impair the exclusion of interest on a Note from gross income for federal income tax purposes (subject to~~

the inclusion of any exceptions contained in the opinion delivered upon original issuance of such Note).

First Lien Master Resolution has the meaning set forth in Exhibit A.

First Lien Bonds means the Outstanding First Lien Bonds identified in the recitals to this resolution and any bonds issued by the Port in the future under a “Series Resolution” (as defined in the First Lien Master Resolution) and pursuant to Section 7 of the First Lien Master Resolution, which provides that such bonds shall be on a parity of lien with other series of First Lien Bonds.

Fiscal Agency Agreement means the agreement of that name dated February 1, 1997, among the State of Washington and The Bank of New York and Wells Fargo Bank, National Association and any amendments and supplements thereto and replacements thereof.

Fitch ~~has the meaning set forth in Exhibit A means Fitch, Inc., organized and existing under the laws of the State of Delaware, its successors and their assigns, and, if such organization shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “Fitch” shall be deemed to refer to any other nationally recognized securities rating agency (other than S&P or Moody’s) designated by the Designated Port Representative.~~

Fixed Rate Bonds ~~has the meaning set forth in Exhibit A means those Subordinate Lien Parity Bonds other than Capital Appreciation Bonds, Original Issue Discount Bonds or Balloon Maturity Bonds issued under a Subordinate Lien Resolution in which the rate of interest on such Subordinate Lien Parity Bonds is fixed and determinable through their final maturity or for a specified period of time. If so provided in the Subordinate Lien Resolution authorizing their~~

~~issuance, Subordinate Lien Parity Bonds may be deemed to be Fixed Rate Bonds for only a portion of their term.~~

Further Advance Balance, with respect to any Note payable from drawings under a Credit Facility that is an irrevocable direct pay letter of credit, has the meaning given such term in the Reimbursement Agreement(s), if any, applicable to such Credit Facility.

Further Advance Note, with respect to any Note payable from drawings under a Credit Facility that is an irrevocable direct pay letter of credit, has the meaning given such term in the Reimbursement Agreement(s), if any, applicable to such Credit Facility.

Future Subordinate Lien Parity Bonds has the meaning set forth in Exhibit A~~means those revenue bonds or other revenue obligations which will be issued by the Port in the future with a lien on Net Revenues equal to the lien thereon of the Notes, the Reimbursement Note(s) and the Outstanding Subordinate Lien Bonds.~~

Government Obligations has the meaning given to such term in RCW Chapter 39.53, as amended; provided that such obligations must be noncallable obligations issued or unconditionally guaranteed by the United States of America.

Gross Revenue has the meaning set forth in Exhibit A~~means all income and revenue derived by the Port from time to time from any source whatsoever except:~~

~~_____ (a) the proceeds of any borrowing by the Port and the earnings thereon (other than earnings on proceeds deposited in reserve funds);~~

~~_____ (b) income and revenue which may not legally be pledged for revenue bond debt service;~~

~~_____ (c) passenger facility charges, head taxes, federal grants or substitutes therefor allocated to capital projects;~~

~~————— (d) ——— payments made under Credit Facilities issued to pay or secure the payment of a particular series of Subordinate Lien Parity Bonds;~~

~~————— (e) ——— proceeds of insurance or condemnation proceeds other than business interruption insurance;~~

~~————— (f) ——— income and revenue of the Port separately pledged and used by it to pay and secure the payment of the principal of and interest on any issue or series of Special Revenue Bonds of the Port issued to acquire, construct, equip, install or improve part or all of the particular facilities from which such income and revenue are derived, *provided that* nothing in this subparagraph (f) shall permit the withdrawal from Gross Revenue of any income or revenue derived or to be derived by the Port from any income producing facility which shall have been contributing to Gross Revenue prior to the issuance of such Special Revenue Bonds; and~~

~~————— (g) ——— income from investments irrevocably pledged to the payment of bonds issued or to be refunded under any refunding bond plan of the Port.~~

~~Notwithstanding the foregoing, the Port may elect to pledge other receipts at any time as additional security for any one or more series of obligations.~~

Instruction has the meaning given such term in Section 3.01

Interest Coverage means with respect to each Note which is payable from drawings under a Credit Facility that is an irrevocable direct pay letter of credit, a dollar amount determined in accordance with the following formula:

$$((R \times P) \div 365) \times (D + 15)$$

R = Interest Rate, applicable to such Note

P = Principal amount of Note bearing interest at such Interest Rate

D = Duration (in days) of the Interest Period applicable to such Note

Interest Payment Date means for each Note, the maturity date of such Note or, with respect to a Reimbursement Note, the dates specified therefor in the applicable Reimbursement Agreement.

Interest Period means the period of time beginning on and including the date of issuance to but excluding the maturity date for each Note, which period shall be a period of at least one day but not more than 270 days, established pursuant to Section 2.08.

Interest Portion means the dollar amount available to be drawn under a Credit Facility then in effect to pay interest on the Notes.

Interest Rate means the per annum interest rate for each Note determined pursuant to Section 2.08.

Intermediate Lien Parity Bonds has the meaning set forth in Exhibit A.

Intermediate Lien Master Resolution has the meaning set forth in Exhibit A

Issue Date, with respect to the Notes, means the first date the aggregate principal amount of Notes issued and Outstanding equals or exceeds \$100,000.

Kroll has the meaning set forth in Exhibit A.

Letter of Credit – Bank of America means the irrevocable direct pay letter of credit issued by Bank of America pursuant to the Reimbursement Agreement – Bank of America.

Letter of Credit – Bayerische means the irrevocable direct pay letter of credit issued by Bayerische Landesbank Girozentrale, acting through its New York Branch, pursuant to the Reimbursement Agreement - Bayerische.

Letter of Representations means the Blanket Issuer Letter of Representations between DTC and the Port.

Limit, with respect to a Credit Facility, means the dollar amount available to be drawn under a Credit Facility then in effect to pay principal on the Notes.

Liquidity Facility has the meaning set forth in Exhibit A.

Master Note means each Note delivered to DTC to evidence one or more Series or portions of Series.

~~*Master Resolution*~~ means Resolution No. 3059, as amended by Resolution Nos. 3214, 3241 and 3436 of the Commission, and as the same may be amended in the future in accordance with its terms.

~~*Maximum Annual Debt Service*~~ has the meaning set forth in Exhibit A ~~means, with respect to any outstanding series of Subordinate Lien Parity Bonds, the highest remaining Annual Debt Service for such series of Subordinate Lien Parity Bonds.~~

~~*Moody's*~~ has the meaning set forth in Exhibit A ~~means Moody's Investors Service, Inc., a corporation duly organized and existing under and by virtue of the laws of the State of Delaware, and its successors and assigns, except that if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then the term "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency (other than Fitch or S&P) selected by the Designated Port Representative.~~

1997 Program has the meaning given such term in the recitals to this resolution

Net Revenues means Gross Revenue less any part thereof that must be used to pay Operating Expenses.

Note Payment Account has the meaning given such term in Section 3.05.

Note Register means the records maintained on behalf of the Port containing the name and mailing address of each owner of the Notes or the nominee of such owner, and such other information as the Registrar shall determine.

Notes means, collectively, the Series A Notes, the Series B Notes, the Series C Notes and the Series D Notes. When used in this resolution, the term “Note” is not intended to mean or include a Reimbursement Note.

Notice Parties means the Port, each Dealer, the Registrar and each Bank.

Operating Expenses ~~has the meaning set forth in Exhibit A—means the current expenses incurred for operation or maintenance of the Facilities (other than Special Facilities), as defined under generally accepted accounting principles, in effect from time to time, excluding any allowances for depreciation or amortization or interest on any obligations of the Port incurred in connection with and payable from Gross Revenue.~~

Original Issue Discount Bonds ~~has the meaning set forth in Exhibit A—means Subordinate Lien Parity Bonds which are sold at an initial public offering price of less than 95% of their face value and which are specifically designated as Original Issue Discount Bonds in the Subordinate Lien Resolution authorizing their issuance.~~

Original Resolution means Resolution No. 3456, as amended by Resolution No. 3777 of the Commission, and as the same may be amended in the future in accordance with its terms.

Other Revenue Available and Applied to Debt Service has the meaning set forth in Exhibit A.

Outstanding ~~has the meaning set forth in Exhibit A, when used as of a particular time with reference to Notes delivered under authority of this resolution, means all Notes delivered under authority of this resolution, except:~~

~~_____ (a) Notes canceled by the Registrar or surrendered to the Registrar for cancellation;~~

~~_____ (b) Notes paid or deemed to have been paid within the meaning of this resolution; and~~

~~_____ (c) Notes in lieu of or in substitution for which replacement Notes shall have been executed by the Port and delivered by the Registrar hereunder.~~

~~_____ A Reimbursement Note shall be deemed to remain Outstanding until the applicable Bank is paid all amounts due on such Reimbursement Note and the applicable Credit Facility has expired or been terminated.~~

Outstanding Subordinate Lien Bonds has the meaning set forth in the recitals hereto. means, collectively, ~~the Port of Seattle, Washington, Subordinate Lien Revenue Bonds, Series 1997 authorized to be issued by Resolution No. 3238, as amended, the Port of Seattle, Washington Subordinate Lien Revenue Notes (Commercial Paper) authorized to be issued by Resolution No. 3255, as amended, the Port of Seattle Subordinate Lien Refunding Revenue Bonds, 1998 authorized to be issued by Resolution No. 3276, as amended, and the Port of Seattle Subordinate Lien Revenue Bonds, Series 1999A and Series 1999B authorized to be issued by Resolution No. 3354, as amended.~~

Participant means (a) any person for which, from time to time, DTC effectuates book-entry transfers and pledges of securities pursuant to the book-entry system referred to in Section 2.05 hereof or (b) any securities broker or dealer, bank, trust company or other person that clears through or maintains a custodial relationship with a person referred to in (a).

Passenger Facility Charge or PFC has the meaning set forth in Exhibit A.

~~**Permitted Prior Lien Bonds** means and includes the First Lien Bonds and any other revenue bonds that may be issued in the future at the discretion of the Port payable from Net Revenues available after the payment of the amounts described in paragraphs First, Second, and Third of Section 4.01(b) of this resolution, all as permitted in Section 4.04(a) of this resolution. All Permitted Prior Lien Bonds shall have liens on Net Revenues superior to the lien thereon of the Subordinate Lien Parity Bonds.~~

Person means an individual, a corporation, a limited liability company, a partnership, an association, a joint stock company, a trust, an unincorporated organization, a governmental body or a political subdivision, a municipal corporation, a public corporation or any other group or organization of individuals.

Port means the Port of Seattle, a municipal corporation of the State of Washington, as now or hereafter constituted, or the corporation, authority, board, body, commission, department or officer succeeding to the principal functions of the Port or to whom the powers vested in the Port shall be given by law.

Port Payments means any payment, other than a termination payment, required to be made by or on behalf of the Port under a Derivative Product and which is determined according to a formula set forth in a Derivative Product.

Prior Lien Bonds has the meaning set forth in Exhibit A.

Prior Lien Debt Service (Rate Covenant) has the meaning set forth in Exhibit A.

Projects means, collectively, the Series A Projects, the Series B Projects and the Series C Projects.

Qualified Insurance has the meaning set forth in Exhibit A.

Qualified Letter of Credit has the meaning set forth in Exhibit A.

Rate Determination Date means the date on which the interest rate and maturity date for a Note (other than a Reimbursement Note) shall be determined.

Rating Agency ~~has the meaning set forth in Exhibit A means Fitch, Moody's or S&P.~~

Rating Category means the generic rating categories of a Rating Agency, without regard to any refinement or gradation of such rating category by a numerical modifier or otherwise.

Rating Confirmation Notice means a written notice from any Rating Agency then maintaining a rating with respect to the Notes confirming that the rating on the Notes will not be lowered, withdrawn or suspended as a result of the action proposed to be taken.

Reciprocal Payment means any payment to be made to, or for the benefit of, the Port under a Derivative Product by the Reciprocal Payor.

Reciprocal Payor ~~has the meaning set forth in Exhibit A means any bank or corporation, partnership or other entity whose guarantor maintains or who maintains for itself at least an "A" rating from each Rating Agency then maintaining a rating on Outstanding Subordinate Lien Parity Bonds and which is a party to a Derivative Product and which is obligated to make one or more Reciprocal Payments thereunder.~~

Record Date means the close of business as of the day (whether or not a Business Day) next preceding each Interest Payment Date.

Registered Owner means the person named as the registered owner of a Note on the Note Register. For so long as a Securities Depository or its nominee holds the Notes, such Securities Depository shall be deemed to be the Registered Owner.

Registered Owners' Trustee means the bank or financial institution selected by the Registered Owners of the Notes pursuant to Section 4.09 hereof.

Registrar means the fiscal agency of the State of Washington in either Seattle, Washington, or New York, New York, for the purposes of (a) registering and authenticating the Notes, (b) maintaining the Note Register, (c) paying interest on and principal of the Notes and (d) drawing any amounts under any Credit Facility for the purpose of paying the interest on and principal of any Notes.

Reimbursement Agreement – Bank of America means the Letter of Credit Reimbursement Agreement, dated as of November 1, 1997, between the Port and Bank of America National Association, now known as Bank of America, N.A., as the same has been and may be amended in accordance with its terms.

Reimbursement Agreement – Bayerische means the Letter of Credit Reimbursement Agreement, dated as of June 1, 2001, between the Port and Bayerische Landesbank Girozentrale, acting through its New York Branch, as the same may be amended in accordance with its terms.

Reimbursement Agreement means the Reimbursement Agreement – Bayerische, the Reimbursement Agreement – Bank of America and any other similar agreement entered into in connection with the issuance of any Alternate Credit Facility and any and all modifications, alterations, and amendments and supplements thereto.

Reimbursement Note means a note delivered to a Bank pursuant to Section 4.01(d) hereof or under Resolution No. 3255, as amended, and a Reimbursement Agreement.

Released Revenues has the meaning set forth in Exhibit A.

Repair and Renewal Fund means the special fund authorized to be created pursuant to Section 2(B) of the First Lien Master Resolution.

Request has the meaning given such term in Section 3.01.

Reserved Lien Revenue Bonds have the meaning set forth in Exhibit A.

Revenue Fund means, collectively, the Port’s General Fund, Airport Development Fund and any other fund established in the office of the Treasurer of the Port for the receipt of Gross Revenues.

Securities Depository means any “clearing agency” registered under Section 17A of the Securities Exchange Act of 1934, as amended.

Series shall refer, as the context may require, to all Notes issued under the designation Series A, Series B, Series C or Series D or may refer to any separately identified set of Notes within such Series.

Series A Notes means the Port of Seattle Subordinate Lien Revenue Notes (Tax-Exempt Commercial Paper), Series A authorized by Section 2.02 of this resolution.

Series B Notes means the Port of Seattle Subordinate Lien Revenue Notes (Tax-Exempt Commercial Paper), Series B authorized by Section 2.02 of this resolution.

Series C Notes means the Port of Seattle Subordinate Lien Revenue Notes (Tax-Exempt Commercial Paper), Series C authorized by Section 2.02 of this resolution.

Series D Notes means the Port of Seattle Subordinate Lien Revenue Notes (Taxable Commercial Paper), Series D authorized by Section 2.02 of this resolution.

Series A Projects means those capital improvement projects identified as part of the Port’s 1998-2001 capital improvement plans as they appear in the 1998-2001 budgets and shall include any subsequent capital improvement plan or program approved by the Commission but including therein only those facilities which may be financed with tax exempt governmental (not private activity) obligations.

Series B Projects means those capital improvement projects identified on Exhibit A-1 attached hereto and incorporated by this reference herein as such Exhibit may be amended or supplemented from time to time by notice published by the Port.

Series C Projects means the application of Working Capital as herein defined.

Series Resolution has the meaning set forth in the Exhibit A.

SIFMA Municipal Swap Index has the meaning set forth in Exhibit A

SOFR Index has the meaning set forth in Exhibit A.

~~**S&P** has the meaning set forth in Exhibit A means Standard & Poor's Ratings Services, a Division of The McGraw-Hill Companies, and its successors and assigns, except that if such corporation or division shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then the term "S&P" shall be deemed to refer to any other nationally recognized securities rating agency (other than Moody's or Fitch) selected by the Designated Port Representative.~~

Special Facilities means particular facilities financed with the proceeds of Special Revenue Bonds.

Special Revenue Bonds means any issue or series of revenue bonds, revenue warrants or other revenue obligations of the Port issued to directly or indirectly acquire (by purchase, lease or otherwise), construct, equip, install or improve part or all of particular facilities and which are payable from and secured by the income and revenue from such facilities.

Subordinate Lien Note Fund means the Port of Seattle Subordinate Lien Bond Fund ~~Note Fund (Commercial Paper)~~, created in the office of the Treasurer of the Port by authority granted in Section 4.01 of this resolution.

Subordinate Lien Parity Bonds means the Outstanding Subordinate Lien Bonds, including the Notes, each Reimbursement Note and any Future Subordinate Lien Parity Bonds.

Subordinate Lien Parity Test has the meaning set forth in Exhibit A~~means Available Revenue equal to or greater than 1.5 times Aggregate Annual Debt Service.~~

Subordinate Lien Rate Covenant has the meaning set forth in Exhibit A~~means the covenant of the Port to establish, maintain and collect rentals, tariffs, rates, fees and charges in the operation of all of its business for as long as any Notes or Reimbursement Notes are Outstanding that will produce Available Revenue in each fiscal year at least equal to the amounts required to be deposited during such fiscal year from Net Revenues into the Subordinate Lien Note Funds, any other bond fund established or maintained for the benefit of Subordinate Lien Parity Bonds, and any fund established or maintained to pay any Port Payments due with respect to any Derivative Product and any other amounts due to the Banks, to the issuers of Credit Facilities for the Subordinate Lien Parity Bonds then outstanding or, to the extent not otherwise provided for in this definition, any Reciprocal Payor, but excluding from each of the foregoing, payments made or to be made from refunding debt and capitalized debt service or other money irrevocably set aside for such payment.~~

Subordinate Lien Resolutions means each of the resolutions identified in the chart describing the Outstanding Subordinate Lien Bonds in the recitals to this resolution and shall include this resolution, together with any Supplement thereto, and any resolution of the Commission approved in the future authorizing the issuance of a series of Future Subordinate Lien Parity Bonds, as such resolution(s) may thereafter be amended or supplemented.

Sum means, with respect to Notes payable from drawings under a particular Credit Facility that is an irrevocable direct pay letter of credit, the aggregate principal amount of those

Notes Outstanding (and including, if applicable, all currently outstanding notes issued under the 1997 Program until such outstanding notes are paid and retired) plus the balance then outstanding under the Reimbursement Note relating to that Credit Facility.

Taxable Obligation has the meaning set forth in Exhibit A.

Tax-Exempt Obligation has the meaning set forth in Exhibit A.

Treasurer of the Port means the Director of Finance of King County, Washington, or any other public officer as may hereafter be designated pursuant to law to have the custody of Port funds.

Variable Rate Index has the meaning set forth in Exhibit A.

Working Capital means money required by the Port to meet a temporary cash flow deficit in one or more of the funds of the Port.

Working Capital Fund - C means the account by that name maintained by the Port or in the office of the Treasurer of the Port for the purpose of holding certain proceeds of the Series C Notes.

Section 1.02. Interpretation (Amended).

Section 1.02 of the Original Resolution is hereby amended to read as set forth in this section. Additions and deletions from the Original Resolution are shown as marked text, with additions double underlined and deletions struck:

In this resolution, unless the context otherwise requires:

(a) The terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder” and any similar terms, as used in this resolution, refer to this resolution as a whole and not to any particular article, section, subdivision or clause hereof, and the term “hereafter” shall mean after, and the term “heretofore” shall mean before, the date of this resolution;

(b) ~~Words of the masculine gender shall mean and include correlative words of the feminine and neuter genders and words importing the singular number shall mean and include the plural number and vice versa;~~

~~—————(e)——~~Words importing persons shall include firms, associations, partnerships (including limited partnerships), trusts, corporations and other legal entities, including public bodies, as well as natural persons;

(~~d~~c) Any headings preceding the text of the several articles and Sections of this resolution, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this resolution, nor shall they affect its meaning, construction or effect;

(~~e~~d) All references herein to “articles,” “sections” and other subdivisions or clauses are to the corresponding articles, sections, subdivisions or clauses hereof.

(~~f~~e) Whenever any consent or direction is required to be given by the Port, such consent or direction shall be deemed given when given by the Designated Port Representative or ~~their~~his or her designee, respectively, and all references herein to the Designated Port Representative shall be deemed to include references to ~~their~~his or her designee, as the case may be.

Section 1.03. Note Payment Account; Draws on Credit Facility (Amended).

Section 3.05 of the Original Resolution is hereby amended to read as set forth in this section. Additions and deletions from the Original Resolution are shown as marked text, with additions double underlined and deletions struck:

(a) *Note Payment Account.* The Port or the Registrar shall establish a special account to be used by the Registrar for payment of Notes (the "Note Payment Account"). The Note

Payment Account shall be held by the Port or Registrar in trust for the Registered Owners and Beneficial Owners of the Notes and, to the extent described in Section 3.05(d) hereof, for each Bank; provided, however, that all money drawn under a Credit Facility shall be held under the exclusive control of the Registrar. The Registrar shall not have a lien on the Note Payment Account for the payment of any fees or expenses or other obligations owing to the Registrar hereunder. The Note Payment Account shall be held uninvested by the Port or Registrar. The remaining provisions of this Section 3.05(b), (c) and (d) shall be applicable only to Notes payable from drawings under a Credit Facility that is an irrevocable direct pay letter of credit.

(b) *Drawings.* For each Note payable from drawings under a Credit Facility that is an irrevocable direct pay letter of credit, the Registrar shall submit to the applicable Bank a Drawing in accordance with the terms of the applicable Credit Facility or Reimbursement Agreement, in such form as is set forth in the Credit Facility, no later than 12:00 noon, New York City time ~~in the case of a drawing under the Letter of Credit — Bank of America and no later than 12:30 p.m. in the case of a drawing under the Letter of Credit — Bayerische~~, in order to draw thereunder an amount that will be sufficient to pay the Notes payable from drawings under such Credit Facility (including principal and interest) maturing on such date. The Registrar shall deposit the amount of any such Drawing in the Note Payment Account and apply the amount thereof in accordance with Section 3.06 hereof.

(c) *Drawings and Remarketing Proceeds.* On any day that Notes payable from drawings under a Credit Facility that is an irrevocable direct pay letter of credit mature, if the amount of any applicable Drawing received by the Registrar pursuant to paragraph (b) above, together with any Note proceeds actually received from the Dealer on such day pursuant to Section 3.08 hereof, exceeds the amount of principal and interest paid with respect to the Notes

maturing on such day, the Registrar shall promptly distribute the excess first to the Port to the extent that the Port has issued Further Advance Notes with respect to the Credit Facility and then to the applicable Bank to satisfy the Port's obligations under the applicable Reimbursement Note.

(d) *Deficiency.* If the Registrar fails to receive a payment drawn under the Credit Facility, the Registrar will notify the Port of the amount of the deficiency, and the Port will remit an amount sufficient to remedy the deficiency from the appropriate Subordinate Lien Note Fund, as authorized in Section 4.01. There is no expectation that Port money and proceeds of a Drawing will ever be on deposit at the same time in the Note Payment Account. If, for any reason, money is received from a Bank and the Port, the Registrar is hereby directed to segregate and not commingle the moneys.

(e) *Alternate Credit Facilities.* If Notes are payable from drawings under a letter of credit or dedicated line of credit, then that Credit Facility may not be replaced except upon a date on which all Outstanding Notes then payable from drawings under such Credit Facility are scheduled to mature. All Notes payable from drawings under a Credit Facility that is a direct pay letter of credit will be paid from drawings upon the applicable Credit Facility currently in effect and such Credit Facility will not be released until such draws are honored.

~~(f) *Final Drawing on Letter of Credit – Bayerische.* Within 10 days after the Registrar receives written notice stating that an Event of Default has occurred under the Reimbursement Agreement – Bayerische and requesting that the Registrar make a final drawing under the Letter of Credit – Bayerische pursuant to a demand for payment in the form of Exhibit B thereto, the Registrar shall not issue any Notes payable from drawings under the Letter of~~

~~Credit Bayerische and shall draw on the Letter of Credit Bayerische an amount equal to the principal of and accrued interest to maturity on all Notes Outstanding on the date of such final drawing and payable from the Letter of Credit Bayerische.~~

Section 1.04. Delivery and Application of Note Proceeds (Amended).

Section 3.08 of the Original Resolution is hereby amended to read as set forth in this section. Additions and deletions from the Original Resolution are shown as marked text, with additions double underlined and deletions struck:

No later than 2:00 ~~3:00~~ p.m., New York City time, on the day that any Notes are issued hereunder, the Dealer for such Notes shall deliver to the Registrar the proceeds of sale of such Notes in immediately available funds. The Registrar shall apply proceeds from the sale of each Series of Notes in the following order of priority:

- (i) First, to the extent of any deficiency therein, as a result of a failure by the Bank to honor a drawing under the Credit Facility, credited to the Note Payment Account for the payment of Notes of the same Series maturing on such date;
- (ii) Second, credited to the applicable Bank Repayment Account for the reimbursement of the Bank and satisfaction of the Port's obligations under the applicable Reimbursement Note, except for the proceeds of Further Advance Notes which shall be paid to the Port; and
- (iii) Third, paid to the Port for deposit, as provided in Section 4.07 of this resolution.

Section 1.05. Payment of Notes (Amended).

Section 4.01 of the Original Resolution is hereby amended to read as set forth in this section. Additions and deletions from the Original Resolution are shown as marked text, with additions double underlined and deletions struck:

(a) Subordinate Lien Bond Fund. A special fund of the Port designated the “Port of Seattle Subordinate Lien Revenue Bond Fund” (the “Subordinate Lien Bond Fund”) is hereby authorized to be created or maintained in the office of the Treasurer for the purpose of paying and securing the payment of Subordinate Lien Parity Bonds, including without limitation the Notes and the Reimbursement Notes. The Subordinate Lien Bond Fund shall be held separate and apart from all other funds and accounts of the Port and shall be a trust fund for the owners of the Subordinate Lien Parity Bonds.

The Port hereby irrevocably obligates and binds itself for as long as any Subordinate Lien Parity Bonds remain Outstanding, or any amount is owed to any Credit Facility Issuer or any Liquidity Facility Issuer in connection with any Subordinate Lien Parity Bonds, to set aside and pay into the Subordinate Lien Bond Fund from Available Revenue or money in the Revenue Fund, on or prior to the respective dates the same become due (and if such payment is made on the due date, such payment shall be made in immediately available funds):

- (1) Such amounts as are required to pay the interest scheduled to become due on Subordinate Lien Parity Bonds Outstanding (including payment of and without duplication amounts required to be paid to Credit Facility Issuers and/or Liquidity Facility Issuers for the payment of interest on Subordinate Lien Parity Bonds Outstanding); and
- (2) Such amounts with respect to Subordinate Lien Parity Bonds Outstanding as are

required (A) to pay maturing principal, (B) to make any required sinking fund payments, and (C) to redeem Subordinate Lien Parity Bonds Outstanding in accordance with any mandatory redemption provisions (including payment of and without duplication amounts required to be paid to Credit Facility Issuers and/or Liquidity Facility Issuers for the payment of the purchase price of or principal of Subordinate Lien Parity Bonds Outstanding).

(b) Priority of Use of Gross Revenue. The Port's Gross Revenue shall be deposited in the Revenue Fund as collected. The Revenue Fund shall be held separate and apart from all other funds and accounts of the Port, and the Gross Revenue deposited therein shall be used only for the following purposes and in the following order of priority:

First, to pay Operating Expenses not paid from other sources;

Second, to make all payments, including sinking fund payments, required to be made into the debt service account(s) within any redemption fund maintained for First Lien Bonds to pay the principal of and interest and premium, if any, on any First Lien Bonds;

Third, to make all payments required to be made into any reserve account(s) maintained for First Lien Bonds to secure the payment of any First Lien Bonds;

Fourth, to make all payments required to be made into any other revenue bond redemption fund and debt service account or reserve account created therein to pay and secure the payment of the principal of, premium, if any, and interest on any revenue bonds or other revenue obligations of the Port having liens upon the Net Revenues or Gross Revenue and the money in the Revenue Fund junior and inferior to the lien thereon for the payment of the principal of, premium, if any, and interest on any First Lien Bonds, but prior to the lien thereon of Intermediate Lien Parity Bonds;

Fifth, to make payments necessary to be paid into any bond fund or debt service account created to pay principal of and interest on Intermediate Lien Parity Bonds, including to reimburse or pay any Credit Facility Issuer or Liquidity Facility Issuer for the payment of principal of and interest on or purchase price of Intermediate Lien Parity Bonds, and, without duplication, to make Port Payments due with respect any Derivative Product on a parity with the lien of the Intermediate Lien Parity Bonds;

Sixth, to make all payments required to be made into any reserve account securing Intermediate Lien Parity Bonds;

Seventh, to make payments necessary to be paid into any bond fund or debt service account to pay the principal of and interest on Reserved Lien Revenue Bonds, including to reimburse or pay any Credit Facility Issuer or Liquidity Facility Issuer for the payment of principal of and interest on or purchase price of Reserved Lien Revenue Bonds, and, without duplication, to make Port Payments due with respect any Derivative Product on a parity with the lien of the Reserved Lien Revenue Bonds;

Eighth, to make all payments required to be made into any reserve account(s) securing Reserved Lien Revenue Bonds;

Ninth, to make payments necessary to be paid into any bond fund or debt service account created to pay the debt service on Subordinate Lien Parity Bonds, including, but not limited to the Subordinate Lien Bond Fund, if any, to pay the principal of and interest on Subordinate Lien Parity Bonds, including to reimburse or pay any Credit Facility Issuer or Liquidity Facility Issuer for the payment of principal of and interest on or purchase price of Subordinate Lien Parity Bonds, and, without duplication, to make Port Payments due with respect any Derivative Product on a parity with the lien of the Subordinate Lien Parity Bonds

Outstanding;

Tenth, to make all payments required to be made into any reserve account(s) securing Subordinate Lien Parity Bonds;

Eleventh, to make all payments required to be made into the Repair and Renewal Fund under the terms of the First Lien Master Resolution to maintain any required balance therein; and

Twelfth, to retire by redemption or purchase any outstanding revenue bonds or other revenue obligations of the Port as authorized in the various resolutions of the Commission authorizing their issuance or to make necessary additions, betterments, improvements and repairs to or extension and replacements of the Facilities, or any other lawful Port purposes.

(c) Lien on Gross Revenue Subject to Prior Priorities. Subordinate Lien Parity Bonds issued pursuant to the Outstanding Subordinate Lien Resolutions and this resolution and the lien thereof created and established hereunder shall be obligations only of the Subordinate Lien Bond Fund, herein authorized to be created. The Subordinate Lien Parity Bonds shall be payable solely from Available Revenue and secured solely by the subordinate lien on Gross Revenue provided herein; *provided, however,* that any series of Subordinate Lien Parity Bonds also may be payable from and secured by a Credit Facility pledged specifically to or provided for that series of Subordinate Lien Parity Bonds.

So long thereafter as any Subordinate Lien Parity Bonds remain Outstanding or any amount is owed to any Credit Facility Issuer or any Liquidity Facility Issuer, the Port hereby irrevocably pledges and obligates and binds itself to set aside and pay into the Subordinate Lien Bond Fund out of Available Revenue, on or prior to the date on which the interest on, premium,

if any, or principal of and interest on such Subordinate Lien Parity Bonds shall become due, the amount necessary to pay such interest, premium, or principal and interest coming due on such Subordinate Lien Parity Bonds (and reimbursement obligations to any Credit Facility Issuer or Liquidity Facility Issuer for the payment of principal of and interest on or purchase price on Subordinate Lien Parity Bonds).

Said amounts so pledged to be paid into the Subordinate Lien Bond Fund are hereby declared to be a prior lien and charge upon the Gross Revenue superior to all other charges of any kind or nature whatsoever except for Operating Expenses and except for the lien on Gross Revenue of the Prior Lien Bonds and except that the amounts so pledged are of equal lien to the liens and charges on Gross Revenue of the Subordinate Lien Parity Bonds Outstanding and to the lien and charge which may hereafter be made to pay and secure the payment of the principal of and interest on any Future Subordinate Lien Parity Bonds.

Subordinate Lien Parity Bonds shall not in any manner or to any extent constitute general obligations of the Port or of the State of Washington, or of any political subdivision of the State of Washington, and no tax revenues of the Port may be used to pay the principal of and interest on the Subordinate Lien Parity Bonds.

~~————— (a) ——— *Subordinate Lien Note Fund.* A special fund of the Port, to be designated the “Port of Seattle Subordinate Lien Note Fund (Commercial Paper)” (the “Subordinate Lien Note Fund”) is hereby authorized to be created in the office of the Treasurer of the Port for the purpose of paying and securing the payment of the Notes and the Reimbursement Notes. The Subordinate Lien Note Fund shall be held separate and apart from all other funds and accounts of the Port and shall be trust funds for the owners, from time to time, of the Notes and for the applicable Bank(s) with respect to each Reimbursement Note. At the option of the Designated~~

~~Port Representative, the Port may establish separate subaccounts within the Subordinate Lien Note Fund for the purpose of paying separate Series of Notes and/or Reimbursement Notes.~~

~~———— The Port hereby irrevocably obligates and binds itself for as long as any Note or any Reimbursement Note remains Outstanding to set aside and pay into the Subordinate Lien Note Fund from Available Revenue or money in the Revenue Fund, on or prior to the respective dates the same become due (and if such payment is made on the due date, such payment shall be made in immediately available funds):~~

~~———— (1) ——— Such amounts as are required to pay the interest scheduled to become due on Outstanding Notes and Reimbursement Notes; and~~

~~———— (2) ——— Such amounts as are required to pay maturing principal of Outstanding Notes and Reimbursement Notes.~~

~~———— (b) ——— *Priority of Use of Gross Revenue.* The Port's Gross Revenue shall be deposited in the Revenue Fund as collected. The Revenue Fund shall be held separate and apart from all other funds and accounts of the Port, and the Gross Revenue deposited therein shall be used only for the following purposes and in the following order of priority:~~

~~———— First, to pay Operating Expenses not paid from other sources;~~

~~———— Second, to make all payments, including sinking fund payments, required to be made into the debt service account(s) within any redemption fund maintained for First Lien Bonds to pay the principal of and interest and premium, if any, on any First Lien Bonds;~~

~~———— Third, to make all payments required to be made into any reserve account(s) maintained for First Lien Bonds to secure the payment of any First Lien Bonds;~~

~~———— Fourth, to make all payments required to be made into any other revenue bond redemption fund and debt service account or reserve account created therein to pay and secure~~

~~the payment of the principal of, premium, if any, and interest on any revenue bonds or other revenue obligations of the Port having liens upon the Net Revenues and the money in the Revenue Fund junior and inferior to the lien thereon for the payment of the principal of, premium, if any, and interest on any First Lien Bonds, but prior to the lien thereon of Subordinate Lien Parity Bonds;~~

~~—— Fifth, to make payments necessary to be paid into any bond fund or debt service account created to pay the principal, interest and redemption premium, if any, coming due on Subordinate Lien Parity Bonds, including, but not limited to the Subordinate Lien Note Fund;~~

~~—— Sixth, to make all payments required to be made into the reserve account(s) securing Subordinate Lien Parity Bonds; and~~

~~—— Seventh, to make all payments required to be made into the Repair and Renewal Fund under the terms of the Master Resolution, as the same may be amended from time to time, to maintain any required balance therein; and~~

~~—— Eighth, to retire by redemption or purchase in the open market any outstanding revenue bonds or other revenue obligations of the Port as authorized in the various resolutions of the Commission authorizing their issuance or to make necessary additions, betterments, improvements and repairs to or extension and replacements of the Facilities, or any other lawful Port purposes.~~

~~—— (e) — *Lien on Available Revenue.* The Notes and Reimbursement Notes and the liens thereof created and established hereunder shall be obligations only of the Subordinate Lien Note Fund hereinbefore authorized to be created. The Notes and Reimbursement Notes shall be payable solely from and secured solely by Available Revenue, and by the proceeds of Notes, *provided, however*, that any Notes also may be payable from drawings under a Credit Facility~~

~~pledged specifically to or provided for such Notes. Credit Facilities may be available to pay less than all the Outstanding principal balance of the Notes. Funds drawn under a Credit Facility shall be held separately and not invested.~~

~~From and after the time of issuance and delivery of the Notes and so long thereafter as any Note or any Reimbursement Note remains Outstanding, the Port hereby irrevocably obligates and binds itself to set aside and pay into the Subordinate Lien Note Fund out of Available Revenue, on or prior to the date on which the interest on and principal of the Notes and Reimbursement Notes shall become due, the amount necessary to pay such principal and interest.~~

~~Said amounts so pledged to be paid into the Subordinate Lien Note Fund are hereby declared to be a prior lien and charge upon the Gross Revenue superior to all other charges of any kind or nature whatsoever except for Operating Expenses and except for the lien on Gross Revenue of the Permitted Prior Lien Bonds and except that the amounts so pledged are of equal lien to the liens and charges on Gross Revenue of the Outstanding Subordinate Lien Bonds and to the lien and charge which may hereafter be made to pay and secure the payment of the principal of and interest on any Future Subordinate Lien Parity Bonds.~~

~~The Notes and Reimbursement Notes shall not in any manner or to any extent constitute general obligations of the Port or of the State of Washington, or of any political subdivision of the State of Washington, and no tax revenues of the Port may be used to pay the principal of and interest on the Notes or Reimbursement Notes.~~

(d) *Reimbursement Note.* The obligations of the Port under each Reimbursement Agreement may be evidenced by a “Reimbursement Note” issued by the Port thereunder. Each “Reimbursement Note” shall also be secured by the Subordinate Lien Note

Bond Fund (but not by moneys drawn under a Credit Facility), all in accordance with the applicable Reimbursement Agreement. The payment obligations of the Port represented by a Reimbursement Note, and subject to the dollar limitation set forth in Section 5.03(b) hereof shall be included in any computation of Debt Service; but only to the extent that such payment obligations are not otherwise included as Debt Service for Notes.

Section 1.06. Permitted Prior Lien Bonds and Future Subordinate Lien Parity Bonds (Amended).

Section 4.04 of the Original Resolution is hereby amended to read as set forth in this section. Additions and deletions from the Original Resolution are shown as marked text, with additions double underlined and deletions struck:

(a) *Prior Lien Bonds and Intermediate Lien Parity Bonds.* As provided in the First Lien Master Resolution, the Port reserves the right to issue one or more series of First Lien Bonds for any purpose of the Port now or hereafter permitted by law, provided that the Port shall comply with the terms and conditions for the issuance of First Lien Bonds set forth in the First Lien Master Resolution. In addition, the Port also reserves the right to issue obligations payable from Net Revenue as described in paragraphs Fourth through Eighth of Section 3(b) of this resolution, and having lien(s) on Gross Revenue or Net Revenues prior to the lien of the Subordinate Lien Parity Bonds, including without limitation Intermediate Lien Parity Bonds (which can be issued on the terms set forth in the Intermediate Lien Master Resolution) and Reserved Lien Revenue Bonds. Such obligations shall be subject to such terms, conditions and covenants set forth in their respective authorizing resolutions.

(b) *Future Subordinate Lien Parity Bonds - General Provisions.* The Port hereby further covenants and agrees with the Owners of each of the Subordinate Lien Parity Bonds for

as long as any of the same remain Outstanding that it will not issue any Future Subordinate Lien Parity Bonds that constitute a charge and lien upon the Gross Revenue equal to the lien thereon of the Subordinate Lien Parity Bonds then Outstanding, unless the following conditions are satisfied.

(1) Future Subordinate Lien Parity Bonds may be issued only if there is not then existing and continuing a Default under this resolution; provided, however, that Future Subordinate Lien Parity Bonds may be issued for refunding purposes under subsection (c) below if the Default will be cured as a result of the refunding.

(2) Future Subordinate Lien Parity Bonds shall be issued pursuant to this resolution and authorized by a Series Resolution of the Commission.

(3) Either of the following conditions (A) or (B) below shall be satisfied.

(A) Certificate Required. Unless the Port is able to meet the criteria set forth in (B) below, a certificate shall be filed with the Port demonstrating fulfillment of the Subordinate Lien Parity Test in each fiscal year during the Certificate Period. As to any Future Subordinate Lien Parity Bonds in the form of Commercial Paper or another Subordinate Lien Parity Bond that may be issued from time to time up to a not-to-exceed principal amount (or up to the available commitment), a certificate may, at the Port's discretion, be delivered based on (1) the not-to-exceed principal amount of the Commercial Paper or other Subordinate Lien Parity Bond authorized to be issued, (2) based on the not-to-exceed principal amount available to be issued (such as the available commitment in connection

with a direct purchase Subordinate Lien Parity Bond or as Subordinate Lien Parity Bonds secured by a Credit Facility or Liquidity Facility), or (3) based on the principal amounts actually issued from time to time.

- i. The certificate may be delivered by the Port without a Consultant if the Net Revenue, based upon the financial statements of the Port for the Base Period, corroborated by the certified statements of the Division of Municipal Corporations of the State Auditor's office of the State of Washington, or any successor to the duties thereof, or by an independent certified public accounting firm, is sufficient such that the Subordinate Lien Parity Test will be fulfilled in each fiscal year during the Certificate Period.
- ii. Alternatively, a Consultant may deliver the certificate. In making the computations of Net Revenue for the purpose of certifying compliance with the Subordinate Lien Parity Test, the Consultant shall use as a basis the Net Revenue for the Base Period. In making such computations the Consultant shall make such adjustments as the Consultant deems reasonable.

(B) No Certificate Required. A certificate shall not be required as a condition to the issuance of Future Subordinate Lien Parity Bonds:

- i. if the Future Subordinate Lien Parity Bonds are being issued for refunding purposes upon compliance with the provisions of subsection (c) of this section; or
- ii. if the Future Subordinate Lien Parity Bonds are being issued to

pay Costs of Construction of Facilities for which indebtedness has been issued previously and the principal amount of such indebtedness being issued for completion purposes does not exceed an amount equal to an aggregate of 15% of the principal amount of indebtedness theretofore issued for such Facilities and reasonably allocable to the Facilities to be completed as shown in a written certificate of the Designated Port Representative, and there is delivered a Consultant's certificate stating that the nature and purpose of such Facilities have not materially changed.

(c) Future Subordinate Lien Parity Bonds for Refunding Purposes. The Port may issue Future Subordinate Lien Parity Bonds for refunding purposes, as follows:

- (1) Future Subordinate Lien Parity Bonds may be issued at any time for the purpose of refunding (including by purchase) Subordinate Lien Parity Bonds including amounts to pay principal thereof and redemption premium, if any, and interest thereon to the date of redemption (or purchase), any deposits to a reserve account or to purchase a Qualified Letter of Credit or Qualified Insurance and the expenses of issuing the Future Subordinate Lien Parity Bonds to purchase or refund the same and of effecting such refunding upon delivery of a certificate as provided in subsection (b)(1)(3)(A) above. Such refunding Future Subordinate Lien Parity Bonds also may be issued without a certificate if Maximum Annual Debt Service after the issuance of such refunding Future Subordinate Lien Parity Bond will not exceed Maximum Annual Debt Service prior to the issuance of such refunding Future Subordinate Lien Parity Bonds.

(2) Future Subordinate Lien Parity Bonds may be issued at any time for the purpose of refunding (including by purchase) any Prior Lien Bonds or Subordinate Lien Parity Bonds including amounts to pay principal thereof and redemption premium, if any, and interest thereon to the date of redemption of such bonds (or purchase), any deposits to a reserve account or to purchase a Qualified Letter of Credit or Qualified Insurance and the expenses of issuing the Future Subordinate Lien Parity Bonds to purchase or refund the same and of effecting such refunding, provided that prior to the issuance of such Future Subordinate Lien Parity Bonds the Port must provide a certificate if required by this section.

(3) Future Subordinate Lien Parity Bonds may be issued for the purpose of refunding (including by purchase) at any time within one year prior to maturity any Prior Lien Bonds or Subordinate Lien Parity Bonds then Outstanding, provided that such bonds are Prior Lien Bonds or Subordinate Lien Parity Bonds, for the payment of which sufficient Net Revenue or other money are not available, without the requirement of a certificate pursuant to this section.

(d) Liens Subordinate to Subordinate Lien Parity Bonds. Nothing herein contained shall prevent the Port from issuing revenue bonds or other obligations that are a charge upon the Gross Revenue junior or inferior to the payments required by this resolution to be made out of such Gross Revenue to pay and secure the payment of any Subordinate Lien Parity Bonds. Such junior or inferior obligations shall not be subject to acceleration. This prohibition against acceleration shall not be deemed to prohibit the term out of any reimbursement obligation, to

prohibit any mandatory tender or other tender provisions or to prohibit the payment of a termination amount with respect to a derivative product.

~~———— (a) ——— *Permitted Prior Lien Bonds.* As provided in the Master Resolution, the Port reserves the right to issue from time to time one or more series of First Lien Bonds by means of a Series Resolution (as such term is defined and required under the Master Resolution) for any purpose of the Port now or hereafter permitted by law, provided that the Port shall comply with the terms and conditions for the issuance of First Lien Bonds set forth in the Master Resolution. In addition, the Port also reserves the right to issue obligations payable from Net Revenues available after payment of the amounts described in paragraphs First through Third of Section 4.01(b) of this resolution, and having lien(s) on such Net Revenues prior to the lien of the Notes, the Outstanding Subordinate Lien Bonds and the Reimbursement Notes. Such obligations shall be subject to such terms, conditions and covenants set forth in their respective authorizing resolutions.~~

~~———— (b) ——— *Future Subordinate Lien Parity Bonds – General Provisions.* The Port hereby further covenants and agrees with the Bank and the Registered Owners of each of the Notes for as long as any of the same or any Reimbursement Notes remain Outstanding that it will not issue any Future Subordinate Lien Parity Bonds that constitute a charge and lien upon the Available Revenue equal to the lien thereon of the Notes or the Reimbursement Notes, unless, except for Future Subordinate Lien Parity Bonds issued for refunding purposes pursuant to subsection (c) below, (i) for as long as the Notes, the Reimbursement Notes or the Outstanding Subordinate Lien Bonds remain Outstanding, at the time of the issuance of such Future Subordinate Lien Parity Bonds the Port is not in default under this resolution, and (ii) either of the conditions (1) or (2) below is satisfied.~~

~~————— (1) Certificate Required. Unless the Port is able to meet the criteria set forth in (2) below, a certificate shall be filed with the Port and with each Bank (as described in this subsection (b) or subsection (c) below) demonstrating fulfillment of the Subordinate Lien Parity Test, (i) commencing with the first full fiscal year following the earlier of (A) the Date of Commercial Operation of the Facilities to be financed with the proceeds of the Future Subordinate Lien Parity Bonds or (B) the date on which any portion of interest on the Future Subordinate Lien Parity Bonds then being issued no longer will be paid from the proceeds of such Future Lien Parity Bonds, and (ii) for the following two fiscal years.~~

~~————— A certificate may be delivered by the Port without a Consultant if the Available Revenue, based upon the financial statements of the Port for the Base Period, corroborated by the certified statements of the Division of Municipal Corporations of the State Auditor's office of the State of Washington, or any successor to the duties thereof, or by an independent certified public accounting firm for the Base Period, is sufficient such that the Subordinate Lien Parity Test will be fulfilled (A) commencing with the first full fiscal year following the earlier of (i) the date of Commercial Operation of the Facilities to be financed with the proceeds of the Future Subordinate Lien Parity Bonds as reasonably estimated by the Port, or (ii) the date on which any portion of interest on the Future Subordinate Lien Parity Bonds then being issued will not be paid from the proceeds of such Future Subordinate Lien Parity Bonds and (B) for the following two fiscal years. Except as provided in the foregoing paragraphs, compliance with the coverage requirements of this 4.04(b) shall be demonstrated conclusively by a certificate of a Consultant.~~

~~————— In making the computations of Available Revenue for the purpose of certifying compliance with the Subordinate Lien Parity Test, the Consultant shall use as a basis the~~

~~Available Revenue for the Base Period. In making such computations the Consultant shall make such adjustments as he/she/it deems reasonable.~~

~~————— (2) No Certificate Required. A certificate shall not be required as a condition to the issuance of Future Subordinate Lien Parity Bonds:~~

~~————— (i) if the Future Subordinate Lien Parity Bonds are being issued for refunding purposes upon compliance with the provisions of subsection (c) of this section; or~~

~~————— (ii) if the Future Subordinate Lien Parity Bonds are being issued to pay Costs of Construction of Facilities for which indebtedness has been issued previously and the principal amount of such indebtedness being issued for completion purposes does not exceed an amount equal to an aggregate of 15% of the principal amount of indebtedness theretofore issued for such Facilities and reasonably allocable to the Facilities to be completed as shown in a written certificate of the Designated Port Representative, and there is delivered a Consultant's certificate stating that the nature and purpose of such Facilities has not materially changed, each such certificate to be delivered to each of the Banks.~~

~~————— (c) *Future Subordinate Lien Parity Bonds For Refunding Purposes.* The Port may issue Future Subordinate Lien Parity Bonds for refunding purposes, as follows:~~

~~————— (1) Future Subordinate Lien Parity Bonds may be issued at any time for the purpose of refunding (including by purchase) Subordinate Lien Parity Bonds including the Notes and the Reimbursement Notes, including amounts to pay principal thereof and redemption premium, if any, and interest thereon to the date of redemption (or purchase), any deposits to a reserve account or to acquire credit enhancement and the expenses of issuing the Future Subordinate Lien Parity Bonds to purchase or refund the same and of effecting such refunding upon delivery of a certificate as provided in subsection (b)(1) above. Such refunding~~

~~Future Subordinate Lien Parity Bonds also may be issued without a certificate if the Maximum Annual Debt Service on all Subordinate Lien Parity Bonds to be outstanding after the issuance of the refunding Future Subordinate Lien Parity Bonds shall not be greater than the Maximum Annual Debt Service on the Subordinate Lien Parity Bonds which would have been outstanding were such refunding not to occur.~~

~~————— (2) — Future Subordinate Lien Parity Bonds may be issued at any time for the purpose of refunding (including by purchase) any other obligations of the Port having a lien on Available Revenue prior to the lien of the Notes, provided that such bonds are Permitted Prior Lien Bonds, including amounts to pay principal thereof and redemption premium, if any, and interest thereon to the date of redemption of such bonds (or purchase), any deposits to a reserve account or to acquire credit enhancement and the expenses of issuing the Future Subordinate Lien Parity Bonds to purchase or refund the same and of effecting such refunding without a certificate.~~

~~————— (3) — Future Subordinate Lien Parity Bonds may be issued for the purpose of refunding (including by purchase) at any time within one year prior to maturity any bonds or notes of the Port having a lien on Available Revenue on a parity with or prior to the lien of the Notes, provided that such bonds are Permitted Prior Lien Bonds or Subordinate Lien Parity Bonds, for the payment of which sufficient Available Revenue or other money are not available, without the requirement of a certificate pursuant to this section.~~

~~————— (d) — *Liens Subordinate to Subordinate Lien Parity Bonds.* Nothing herein contained shall prevent the Port from issuing revenue bonds or other obligations which are a charge upon the Available Revenue junior or inferior to the payments required by this resolution~~

~~to be made out of such Available Revenue to pay and secure the payment of any Subordinate Lien Parity Bonds including the Reimbursement Notes.~~

Section 1.07. Covenants (Amended).

Section 4.05 of the Original Resolution is hereby amended to read as set forth in this section. Additions and deletions from the Original Resolution are shown as marked text, with additions double underlined and deletions struck:

The Port hereby makes the following covenants and agrees with the owners and holders of each of the Subordinate Lien Parity Bonds for as long as any of the same remain Outstanding.

(a) *Subordinate Lien Rate Covenant.* The Port will at all times establish, maintain and collect rentals, tariffs, rates, fees, and charges in the operation of all of its business for as long as any Subordinate Lien Parity Bonds are Outstanding or any Credit Facility or any Liquidity Facility is in effect that will produce Net Revenue in each fiscal year at least equal to the amounts required to meet the Subordinate Lien Rate Covenant. If the Net Revenue in any fiscal year is less than required to meet the Subordinate Lien Rate Covenant, then the Port will post a notice to EMMA within 60 days after completion of the financial statement audit for the fiscal year (1) showing the deficiency and (2) providing a timeframe for development by the Port of a written plan to address the deficiency.

The Port will prepare a written plan to revise schedules of rentals, tariffs, rates, fees and/or charges, reduce operating costs, modify the manner of operating one or more Facilities, or take other steps to meet the Subordinate Lien Rate Covenant in the next fiscal year, and may amend the Plan as necessary to effectuate implementation. If the Commission has taken the steps set forth in the written plan and the Net Revenue in the fiscal year in which adjustments under the plan are made nevertheless is not sufficient to meet the Subordinate Lien Rate

Covenant, there shall be no default under this Section 5(a) during such fiscal year, unless the Port fails to meet the Subordinate Lien Rate Covenant for three consecutive fiscal years including the fiscal year that was the subject of the notice of deficiency.

(b) *Performance of Covenants.* The Port will duly and punctually pay or cause to be paid out of the Subordinate Lien Bond Fund the principal of and interest on the Subordinate Lien Parity Bonds at the times and places as provided in this resolution and in said Subordinate Lien Parity Bonds provided and will at all times faithfully perform and observe any and all covenants, undertakings and provisions contained in this resolution and in the Subordinate Lien Parity Bonds.

(c) *Maintenance of Facilities.* The Port will at all times keep and maintain or cause to be kept or maintained all of the Facilities in good repair, working order and condition and will at all times operate or cause to be operated the same and the business or businesses in connection therewith in an efficient manner and at a reasonable cost.

(d) *Sale or Condemnation of Projects.* In the event that any Project or portion thereof is sold by the Port or is condemned pursuant to the power of eminent domain, the Port will apply the net proceeds of such sale or condemnation to other Facilities or to the retirement of Prior Lien Bonds or Subordinate Lien Parity Bonds Outstanding.

(e) *Insurance of Facilities.* The Port will keep or arrange to keep all Facilities insured, if such insurance is obtainable at reasonable rates and upon reasonable conditions, against such risks, in such amounts, and with such deductibles as the Commission or the Designated Port Representative shall deem necessary.

(f) *Insurance against Port Liability.* The Port will at all times keep or arrange to keep in full force and effect policies of public liability and property damage insurance which

will protect the Port against anyone claiming damages of any kind or nature, if such insurance is obtainable at reasonable rates and upon reasonable conditions, in such amounts and with such deductibles as the Commission or the Designated Port Representative shall deem necessary.

(g) *Maintenance of Books and Records.* The Port will keep and maintain proper books of account and accurate records of all of its revenue, including tax receipts, received from any source whatsoever, and of all costs of administration and maintenance and operation of all of its business that are in accordance with generally accepted accounting principles as in effect from time to time. On or before 120 days after each fiscal year the Port will prepare or cause to be prepared an operating statement of all of the business of the Port for such preceding fiscal year. Each such annual statement shall contain a statement in detail of the Gross Revenue, tax receipts, expenses of administration, expenses of normal operation, expenses of normal and extraordinary maintenance and repair, and expenditures for capital purposes of the Port for such fiscal year and shall contain a statement as of the end of such year showing the status of all funds and accounts of the Port pertaining to the operation of its business and the status of all of the funds and accounts created by various resolutions of the Commission authorizing the issuance of outstanding bonds and other obligations payable from the Gross Revenue. Copies of such statements shall be placed on file in the main office of the Port and shall be open to inspection at any reasonable time by the owners of Subordinate Lien Parity Bonds.

~~The Port hereby makes the following covenants and agrees with the owners and holders of each of the Notes for as long as any of the same remain Outstanding and agrees with each Bank until such time as the applicable Reimbursement Note is no longer Outstanding and the applicable Credit Facility has been terminated.~~

~~————— (a) ——— *Subordinate Lien Rate Covenant.* The Port will at all times comply with the Subordinate Lien Rate Covenant.~~

~~If the Available Revenue in any fiscal year is less than required to fulfill the Subordinate Lien Rate Covenant, then the Port will retain a Consultant to make recommendations as to operations and the revision of schedules of rentals, tariffs, rates, fees and charges; and upon receiving such recommendations or giving reasonable opportunity for such recommendations to be made, the Commission, on the basis of such recommendations and other available information, will establish rentals, tariffs, rates, fees and charges for services and operations which will be necessary to meet the Subordinate Lien Rate Covenant in the fiscal year during which such adjustments are made. If the Commission has taken the steps set forth in this paragraph and the Available Revenue in the fiscal year in which adjustments are made nevertheless is not sufficient to meet the Subordinate Lien Rate Covenant, there shall be no default under this Section 4.05(a) during such fiscal year, unless the Port fails to meet the Subordinate Lien Rate Covenant for two consecutive fiscal years.~~

~~————— (b) ——— *Performance of Covenant.* The Port will duly and punctually pay or cause to be paid out of the Subordinate Lien Bond Fund the principal of and interest on the Notes and the Reimbursement Notes at the times and places as provided in this resolution and in said Notes and the Reimbursement Notes provided and will at all times faithfully perform and observe any and all covenants, undertakings and provisions contained in this resolution, in the Notes and the Reimbursement Notes.~~

~~————— (c) ——— *Maintenance of Facilities.* The Port will at all times keep and maintain or cause to be kept or maintained all of the Facilities in good repair, working order and condition~~

and will at all times operate or cause to be operated the same and the business or businesses in connection therewith in an efficient manner and at a reasonable cost.

~~—————(d) — *Sale or Condemnation of Projects.* In the event that any Project or portion thereof is sold by the Port or is condemned pursuant to the power of eminent domain, the Port will apply the net proceeds of such sale or condemnation to other Facilities or to the retirement of Permitted Prior Lien Bonds or Subordinate Lien Parity Bonds then Outstanding.~~

~~—————(e) — *Insurance of Facilities.* The Port will keep or arrange to keep all Facilities insured, if such insurance is obtainable at reasonable rates and upon reasonable conditions, against such risks, in such amounts, and with such deductibles as the Commission or the Designated Port Representative shall deem necessary.~~

~~—————(f) — *Insurance Against Port Liability.* The Port will at all times keep or arrange to keep in full force and effect policies of public liabilities and property damage insurance which will protect the Port against anyone claiming damages of any kind or nature, if such insurance is obtainable at reasonable rates and upon reasonable conditions, in such amounts and with such deductibles as the Commission or the Designated Port Representative shall deem necessary.~~

~~—————(g) — *Maintenance of Books and Records.* The Port will keep and maintain proper books of account and accurate records of all of its revenue, including tax receipts, received from any source whatsoever, and of all costs of administration and maintenance and operation of all of its business that are in accordance with generally accepted accounting principles as in effect from time to time. On or before 120 days after each fiscal year the Port will prepare or cause to be prepared an operating statement of all of the business of the Port for such preceding fiscal year. Each such annual statement shall contain a statement in detail of the~~

~~Gross Revenue, tax receipts, expenses of administration, expenses of normal operation, expenses of normal and extraordinary maintenance and repair, and expenditures for capital purposes of the Port for such fiscal year and shall contain a statement as of the end of such year showing the status of all funds and accounts of the Port pertaining to the operation of its business and the status of all of the funds and accounts created by various resolutions of the Commission authorizing the issuance of outstanding bonds and other obligations payable from the Gross Revenue. Copies of such statements shall be placed on file in the main office of the Port and shall be open to inspection at any reasonable time by the Bank and the owners of Subordinate Lien Parity Bonds.~~

Section 1.08. Derivative Products (Amended).

Section 4.06 of the Original Resolution is hereby amended to read as set forth in this section. Additions and deletions from the Original Resolution are shown as marked text, with additions double underlined and deletions struck:

The following shall be conditions precedent to the delivery of any Derivative Product on a parity with Subordinate Lien Parity Bonds:

(a) *General Parity Tests.* The Derivative Product must satisfy the requirements for Future Subordinate Lien Parity Bonds described in Section 4(b) of this resolution.

(b) *Opinion of Bond Counsel.* The Port shall obtain an opinion of its Bond Counsel on the due authorization and execution of such Derivative Product opining that the action proposed to be taken by the Port is authorized or permitted by this resolution and by Washington law or the applicable provisions of any resolution authorizing Future Subordinate Lien Parity Bonds and is not prohibited by the resolutions that authorized the issuance of the Subordinate Lien Parity Bonds then Outstanding, as amended or supplemented and will not adversely affect

the exclusion from gross income for federal income tax purposes of the interest on any Subordinate Lien Parity Bonds then Outstanding.

(c) Payments. Each Derivative Product shall set forth the manner in which the Port Payments and Reciprocal Payments are to be calculated and a schedule of Derivative Payment Dates.

(d) Supplemental Agreements to Govern Derivative Products. Prior to entering into a Derivative Product, the Commission shall adopt a resolution, which shall:

- (1) create and establish an account to be entitled the “Derivative Product Account” or provide for some other way to account for the use of a Derivative Product; establish general provisions for the retention of Available Revenues in amounts sufficient to make, when due, Port Payments;
- (2) establish general provisions for the rights of providers of Derivative Products or Derivative Facilities; and
- (3) set forth such other matters as the Port deems necessary or desirable in connection with the management of Derivative Products as are not clearly inconsistent with the provisions of this resolution.

Except as may be otherwise provided in the resolution establishing a Derivative Product Account, additional Subordinate Lien Parity Bonds may be delivered in connection with any Derivative Product. Any termination payments under Derivative Products shall be subordinate to Subordinate Lien Parity Bonds.

~~The following shall be conditions precedent to the use of any Derivative Product on a parity with Subordinate Lien Parity Bonds:~~

~~_____ (a) *General Parity Tests.* The Derivative Product must satisfy the requirements for Future Subordinate Lien Parity Bonds described in Sections 4.04 of this resolution.~~

~~_____ (b) *Opinion of Bond Counsel.* The Port shall obtain an opinion of its Bond Counsel on the due authorization and execution of such Derivative Product opining that the action proposed to be taken by the Port is authorized or permitted by this resolution or the applicable provisions of any resolution authorizing Future Subordinate Lien Parity Bonds and is not prohibited by the resolutions that authorized the issuance of the Outstanding Subordinate Lien Bonds, as such resolutions may be amended or supplemented from time to time and will not adversely affect the exclusion from gross income for federal income tax purposes of the interest on any Subordinate Lien Parity Bonds then Outstanding.~~

~~_____ (c) *Payments.* Each Derivative Product shall set forth the manner in which the Port Payments and Reciprocal Payments are to be calculated and a schedule of Derivative Payment Dates.~~

~~_____ (d) *Supplemental Agreements to Govern Derivative Products.* Prior to entering into a Derivative Product, the Commission shall adopt a resolution, which shall:~~

~~_____ (1) create and establish a Derivative Product Account or provide for some other way to account for the use of a Derivative Product; establish general provisions for the retention of Net Revenues in amounts sufficient to make, when due, Port Payments;~~

~~_____ (2) establish general provisions for the rights of providers of Derivative Products or Derivative Facilities; and~~

~~_____ (3) set forth such other matters as the Port deems necessary or desirable in connection with the management of Derivative Products as are not clearly inconsistent with the provisions of this resolution.~~

~~_____ Except as may be otherwise provided in the resolution establishing a Derivative Product Account, Future Subordinate Lien Parity Bonds may be delivered in connection with any Derivative Product. This resolution may be amended in the future to reflect the lien position and priority of any payments made in connection with a Derivative Product; *provided, however,* that no amendment shall be made which permits a payment under a Derivative Product to constitute a lien on Net Revenues superior to that of Subordinate Lien Parity Bonds (including the Reimbursement Notes) without the consent of each Bank unless such payment constitutes Permitted Prior Lien Bonds and, *provided, further,* that termination payments under Derivative Products may not attain a parity lien with Subordinate Lien Parity Bonds (including the Reimbursement Notes).~~

Section 1.09. Defaults and Remedies (Amended). Section 4.09 of the Original Resolution is hereby amended to read as set forth in this section. Additions and deletions from the Original Resolution are shown as marked text, with additions double underlined and deletions struck:

_____ The Port hereby finds and determines that the failure or refusal of the Port or any of its officers to perform the covenants and obligations of this resolution will endanger the operation of the Facilities and the application of Gross Revenue and such other money, funds and securities to the purposes herein set forth. Any one or more of the following shall constitute a Default under this resolution:

- (a) The Port shall fail to make payment of the principal of any Subordinate Lien

Parity Bonds, including without limitation any Bank Bond, when the same shall become due and payable whether by maturity or scheduled redemption prior to maturity or other required repayment date;

- (b) The Port shall fail to make payments of any installment of interest on any Subordinate Lien Parity Bonds, including without limitation any Bank Bond, when the same shall become due and payable; or
- (c) The Port shall default in the observance or performance of any other covenants, conditions, or agreements on the part of the Port contained in this resolution, and such default shall have continued for a period of 90 days; however, if such default cannot be reasonably cured within such 90-day period, the Port shall have such additional time (not to exceed a total cure period of 180 days) as reasonably necessary to cure the default provided that the Port commences cure within 90 days and diligently pursues cure thereafter.

Upon the occurrence and continuation of a Default, a Credit Facility Issuer of a Credit Facility that supports the payment of principal of and interest on Subordinate Lien Parity Bonds shall be entitled to exercise, on behalf of such Subordinate Lien Parity Bondowners, any of the remedies provided under this section and, such Credit Facility Issuer shall be the only party entitled to exercise the remedies with respect to such Subordinate Lien Parity Bonds provided under this section. The rights granted to any such Credit Facility Issuer shall be disregarded and be of no effect if the Credit Facility Issuer has failed to honor a properly presented and conforming drawing on its Credit Facility. There shall be no waiver of a Default hereunder with respect to the Subordinate Lien Parity Bonds unless the Registrar shall have received from the Credit Facility Issuer a written rescission of its default notice and shall be assured that the Credit

Facility or Liquidity Facility, as the case may be, has been fully reinstated.

There may not be any acceleration of the Subordinate Lien Parity Bonds. This prohibition against acceleration shall not be deemed to prohibit the term out of any Bank Bond or other reimbursement obligation to any Credit Facility Issuer or Liquidity Facility Issuer, to prohibit any mandatory tender or other tender provisions or to prohibit the payment of a termination amount with respect to a Derivative Product.

Upon the occurrence of a Default and so long as such Default shall not have been remedied and subject to the foregoing paragraph, a Bondowners' Trustee may be appointed for the Subordinate Lien Parity Bonds by the owners of 51% in principal amount of the Subordinate Lien Parity Bonds Outstanding by an instrument or concurrent instruments in writing signed and acknowledged by such Subordinate Lien Parity Bondowners or by their attorneys-in-fact duly authorized and delivered to such Bondowners' Trustee, notification thereof being given to the Port. Any Bondowners' Trustee appointed under the provisions of this Section shall be a bank or trust company organized under the laws of a state or a national banking association. The fees and expenses of a Bondowners' Trustee shall be borne by the Bondowners and not by the Port. The bank or trust company acting as a Bondowners' Trustee may be removed at any time, and a successor Bondowners' Trustee may be appointed by the owners of 51% in principal amount of the Subordinate Lien Parity Bonds Outstanding, by an instrument or concurrent instruments in writing signed and acknowledged by such Subordinate Lien Parity Bondowners or by their attorneys-in-fact duly authorized.

The Bondowners' Trustee appointed in the manner herein provided, and each successor thereto, is hereby declared to be a trustee for the owners of all the Subordinate Lien Parity Bonds for which such appointment is made and is empowered to exercise all the rights and powers

herein conferred on the Bondowners' Trustee, subject to the rights herein conferred on Credit Facility Issuers.

A Bondowners' Trustee may upon the happening of a Default and during the continuation thereof, take such steps and institute such suits, actions or other proceedings in its own name, or as trustee, all as it may deem appropriate for the protection and enforcement of the rights of Subordinate Lien Parity Bondowners to collect any amounts due and owing the Port, or to obtain other appropriate relief, and may enforce the specific performance of any covenant, agreement or condition contained in this resolution.

Any action, suit or other proceedings instituted by a Bondowners' Trustee hereunder shall be brought in its name as trustee for the Subordinate Lien Parity Bondowners and all such rights of action upon or under any of the Subordinate Lien Parity Bonds or the provisions of this resolution may be enforced by a Bondowners' Trustee without the possession of any of said Subordinate Lien Parity Bonds, and without the production of the same at any trial or proceedings relating thereto except where otherwise required by law, and the respective owners of said Subordinate Lien Parity Bonds by taking and holding the same, shall be conclusively deemed irrevocably to appoint a Bondowners' Trustee the true and lawful trustee to the respective owners of said Subordinate Lien Parity Bonds, with authority to institute any such action, suit or proceeding; to receive as trustee and deposit in trust any sums that become distributable on account of said Subordinate Lien Parity Bonds; to execute any paper or documents for the receipt of such moneys, and to do all acts with respect thereto that the Subordinate Lien Parity Bondowner might have done in person. Nothing herein contained shall be deemed to authorize or empower any Bondowners' Trustee to consent to accept or adopt, on behalf of any owner of said Subordinate Lien Parity Bonds, any plan of reorganization or

adjustment affecting the said Subordinate Lien Parity Bonds or any right of any owner thereof, or to authorize or empower the Bondowners' Trustee to vote the claims of the owners thereof in any receivership, insolvency, liquidation, bankruptcy, reorganization or other proceeding to which the Port shall be a party.

No owner of any one or more of the Subordinate Lien Parity Bonds shall have any right to institute any action, suit or proceedings at law or in equity for the enforcement of the same, unless Default shall have happened and be continuing, and unless no Bondowners' Trustee has been appointed as herein provided, but any remedy herein authorized to be exercised by a Bondowners' Trustee may be exercised individually by any Subordinate Lien Parity Bondowner, in the owner's own name and on the owner's own behalf or for the benefit of all Subordinate Lien Parity Bondowners, in the event no Bondowners' Trustee has been appointed, or with the consent of the Bondowners' Trustee if such Bondowners' Trustee has been appointed; provided however, that nothing in this resolution or in the Subordinate Lien Parity Bonds shall affect or impair the obligation of the Port which is absolute and unconditional, to pay from Available Revenue the principal of and interest on said Subordinate Lien Parity Bonds to the respective owners thereof at the respective due dates therein specified, or affect or impair the right of action, which is absolute and unconditional, of such owners to enforce such payments.

The remedies herein conferred upon or reserved to the owners of the Subordinate Lien Parity Bonds and to a Bondowners' Trustee are not intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. The privileges herein granted shall be exercised from time to time and continued so long as and as often as the occasion therefor may arise and no waiver of any default hereunder, whether by a

Bondowners' Trustee or by the owners of Bonds, shall extend to or shall affect any subsequent default or shall impair any rights or remedies consequent thereon. No delay or omission of the Subordinate Lien Parity Bondowners or of a Bondowners' Trustee to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein.

Upon any such waiver, such Default shall cease to exist, and any Default arising therefrom shall be deemed to have been cured, for every purpose of this resolution; but no such waiver shall extend to any subsequent or other default or impair any right consequent thereon.

The Registered Owner of each of the Subordinate Lien Parity Bonds or a trustee for the Registered Owners of any of the Subordinate Lien Parity Bonds may by mandamus or other appropriate proceeding require the transfer and payment of money as directed in this resolution.

~~The Port hereby finds and determines that the failure or refusal of the Port or any of its officers to perform the covenants and obligations of this resolution will endanger the operation of the Facilities and the application of Gross Revenue and such other money, funds and securities to the purposes herein set forth. Any one or more of the following shall constitute a Default with respect to the Notes:~~

~~————— (a) — The Port shall fail to make payment of the principal of any Note or a Reimbursement Note when the same shall become due and payable;~~

~~————— (b) — The Port shall fail to make payments of any installment of interest on any Note or a Reimbursement Note when the same shall become due and payable;~~

~~————— (c) — The Port shall default in the observance or performance of any other covenants, conditions, or agreements on the part of the Port contained in this resolution, and such default shall have continued for a period of 90 days.~~

~~Upon the occurrence and continuation of a Default with respect to a Note payable from drawings under a Credit Facility that is an irrevocable direct pay letter of credit, the issuer of such Credit Facility shall be entitled to exercise, on behalf of the Registered Owners of the Notes payable from drawings under such Credit Facility, any of the remedies provided under this section and, for as long as the Bank is not in default of its obligations under such Credit Facility, the Bank shall be the only party entitled to exercise the remedies with respect to such Notes as provided under this section. There shall be no waiver of a Default hereunder with respect to the Notes that are payable from drawings under a Credit Facility that is an irrevocable direct pay letter of credit unless the Registrar shall be assured that such Credit Facility has been fully reinstated.~~

~~Subject to provisions of the preceding paragraph, upon the occurrence of a Default with respect to the Notes and so long as such Default shall not have been remedied, a Registered Owners' Trustee may be appointed for the Notes by the owners of 51% in principal amount of the Outstanding Notes by an instrument or concurrent instruments in writing signed and acknowledged by such Registered Owners or by their attorneys in fact duly authorized and delivered to such Registered Owners' Trustee, notification thereof being given to the Port. Any Registered Owners' Trustee appointed under the provisions of this Section shall be a bank or trust company organized under the laws of a state or a national banking association. The fees and expenses of a Registered Owners' Trustee shall be borne by the Registered Owners and not by the Port. The bank or trust company acting as a Registered Owners' Trustee may be removed at any time, and a successor Registered Owners' Trustee may be appointed by the owners of a majority in principal amount of the Notes Outstanding, by an instrument or concurrent~~

~~instruments in writing signed and acknowledged by such Registered Owners or by their attorneys in fact duly authorized.~~

~~— The Registered Owners' Trustee appointed in the manner herein provided, and each successor thereto, is hereby declared to be a trustee for the owners of all the Notes for which such appointment is made and is empowered to exercise all the rights and powers herein conferred on the Registered Owners' Trustee.~~

~~— A Registered Owners' Trustee may upon the happening of a Default and during the continuation thereof, take such steps and institute such suits, actions or other proceedings in its own name, or as trustee, all as it may deem appropriate for the protection and enforcement of the rights of Registered Owners to collect any amounts due and owing the Port, or to obtain other appropriate relief, and may enforce the specific performance of any covenant, agreement or condition contained in this resolution.~~

~~— Any action, suit or other proceedings instituted by a Registered Owners' Trustee hereunder shall be brought in its name as trustee for the Registered Owners and all such rights of action upon or under any of the Notes or the provisions of this resolution may be enforced by a Registered Owners' Trustee without the possession of any of said Notes, and without the production of the same at any trial or proceedings relating thereto except where otherwise required by law, and the respective owners of said Notes by taking and holding the same, shall be conclusively deemed irrevocably to appoint a Registered Owners' Trustee the true and lawful trustee to the respective owners of said Notes, with authority to institute any such action, suit or proceeding; to receive as trustee and deposit in trust any sums that become distributable on account of said Notes; to execute any paper or documents for the receipt of such moneys, and to do all acts with respect thereto that the Registered Owner himself might have done in person.~~

~~Nothing herein contained shall be deemed to authorize or empower any Registered Owners' Trustee to consent to accept or adopt, on behalf of any owner of said Notes, any plan of reorganization or adjustment affecting the said Notes or any right of any owner thereof, or to authorize or empower the Registered Owners' Trustee to vote the claims of the owners thereof in any receivership, insolvency, liquidation, bankruptcy, reorganization or other proceeding to which the Port shall be a party.~~

~~———— No owner of any one or more of the Notes shall have any right to institute any action, suit or proceedings at law or in equity for the enforcement of the same, unless Default shall have happened and be continuing, and unless no Registered Owners' Trustee has been appointed as herein provided, but any remedy herein authorized to be exercised by a Registered Owners' Trustee may be exercised individually by any Registered Owner, in his own name and on his own behalf or for the benefit of all Registered Owners, in the event no Registered Owners' Trustee has been appointed, or with the consent of the Registered Owners' Trustee if such Registered Owners' Trustee has been appointed; provided however, that nothing in this resolution or in the Notes shall affect or impair the obligation of the Port which is absolute and unconditional, to pay from Available Revenue the principal of and interest on said Notes to the respective owners thereof at the respective due dates therein specified, or affect or impair the right of action, which is absolute and unconditional, of such owners to enforce such payments.~~

~~———— The remedies herein conferred upon or reserved to the owners of the Notes and to a Registered Owners' Trustee are not intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. The privileges herein granted shall be exercised from time to time and continued so long as and as~~

~~often as the occasion therefor may arise and no waiver of any default hereunder, whether by a Registered Owners' Trustee or by the owners of Notes, shall extend to or shall affect any subsequent default or shall impair any rights or remedies consequent thereon. No delay or omission of the Registered Owners or of a Registered Owners' Trustee to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein.~~

~~Upon any such waiver, such Default shall cease to exist, and any Default arising therefrom shall be deemed to have been cured, for every purpose of this resolution; but no such waiver shall extend to any subsequent or other default or impair any right consequent thereon.~~

~~If the Port has received a default notice from a Bank in the form set forth in the Credit Facility, the Port shall notify each Dealer and shall cease issuing Notes payable from drawings under the Credit Facility of such Bank and shall not instruct the Registrar to authenticate any additional Notes payable from drawings under that Credit Facility. Upon receipt of a default notice, the Registrar shall notify the Dealer and shall not authenticate and deliver any further Notes payable from drawings under that Credit Facility.~~

Section 1.10. Amendments Without Registered Owners' Consent (Amended).

Section 6.06 of the Original Resolution is hereby amended to read as set forth in this section. Additions and deletions from the Original Resolution are shown as marked text, with additions double underlined and deletions struck:

This resolution may be amended or supplemented from time to time, without the consent of the Registered Owners by a Supplemental Resolution adopted by the Commission for one or more of the following purposes:

- (a) pursuant to a Series Resolution to provide for the issuance of a Series or multiple Series

of Subordinate Lien Parity Bonds under the provisions of Section 4 hereof and to set forth the terms of such Subordinate Lien Parity Bonds and the special provisions which shall apply to such Subordinate Lien Parity Bonds;

(b) to cure any formal defect, omission, inconsistency or ambiguity in, or answer any questions arising under, this Resolution or any Series Resolution, provided such supplement or amendment is not materially adverse to the Subordinate Lien Parity Bondholders;

(c) to add to the covenants and agreements of the Port in this Resolution or any Series Resolution other covenants and agreements, or to surrender any right or power reserved or conferred upon the Port, provided such supplement or amendment shall not adversely affect the interests of the Subordinate Lien Parity Bondholders;

(d) to confirm, as further assurance, any interest of the Subordinate Lien Parity Bondholders in and to the pledge of Available Revenue or to otherwise add additional security for the Subordinate Lien Parity Bondholders;

(e) to evidence any change made in the terms of any Series of Bonds if such changes are authorized by the Series Resolution at the time the Series of Bonds is issued and such change is made in accordance with the terms of such Series Resolution;

(f) to comply with the requirements of the Trust Indenture Act of 1939, as amended from time to time;

(g) to modify, alter, amend or supplement this Resolution or any Series Resolution in any other respect that is not materially adverse to the Subordinate Lien Parity Bondholders;

(h) to provide for uncertificated Subordinate Lien Parity Bonds or for the issuance of coupons and bearer Subordinate Lien Parity Bonds or Subordinate Lien Parity Bonds

registered only as to principal;

- (i) to make modifications or adjustments necessary, appropriate or desirable to accommodate the use of a Credit Facility or Liquidity Facility for specific Subordinate Lien Parity Bonds or a specific Series of Subordinate Lien Parity Bonds;
- (j) to provide for the issuance of the Subordinate Lien Parity Bonds pursuant to a book-entry system or as uncertified registered public obligations;
- (k) to make such additions, deletions, or modifications as may be necessary or desirable to assure exemption from federal income taxation of interest on any tax-exempt Subordinate Lien Parity Bonds;
- (l) for any other purpose that does not materially and adversely affect the interests of the Owners of the Subordinate Lien Parity Bonds, including without limitation to qualify the Subordinate Lien Parity Bonds or a Series of Subordinate Lien Parity Bonds for a rating or ratings from a Rating Agency or to accommodate the technical, operational and structural features of Bonds that are issued or are proposed to be issued, including, but not limited to, changes needed to accommodate commercial paper, swaps, variable rate or adjustable rate bonds, discounted or compound interest bonds or other forms of indebtedness that the Port, from time to time deems appropriate to incur; and
- (m) for any purpose, if such amendment becomes effective only following a mandatory tender of all Bonds for purchase.

~~This resolution may be amended or supplemented from time to time, without the consent of the Registered Owners by a Supplemental Resolution adopted by the Commission for one or more of the following purposes:~~

~~_____ (a) _____ to add additional covenants of the Commission or to surrender any right or power herein conferred upon the Port; or~~

~~_____ (b) _____ to cure any ambiguity or to cure, correct or supplement any defective (whether because of any inconsistency with any other provision hereof or otherwise) provision of this resolution in such manner as shall not be inconsistent with this resolution or to make any other provisions with respect to matters or questions arising under this resolution, provided such action shall not impair the security hereof or adversely affect the interests of the Registered Owners; or~~

~~_____ (c) _____ to provide or modify procedures permitting Registered Owners to utilize a certificated system of registration for Notes; or~~

~~_____ (d) _____ to modify, alter, amend, supplement or restate this resolution in any and all respects necessary, desirable or appropriate in connection with the delivery of a Credit Facility, so long as such amendment or supplement does not adversely affect the security for any Outstanding Notes or Reimbursement Notes; or~~

~~_____ (e) _____ to modify, alter, amend, supplement or restate this resolution in any and all respects necessary, desirable or appropriate in order to satisfy the requirements of any Rating Agency which may from time to time provide a rating on the Notes, or in order to obtain or retain such rating on the Notes as is deemed necessary by the Port; or~~

~~_____ (f) _____ for any purpose, if such amendment becomes effective only on a date on which all Notes are scheduled to mature.~~

Section 1.11. Amendments with Registered Owners Consent (Amended).

Section 6.07 of the Original Resolution is hereby amended to read as set forth in this section. Additions and deletions from the Original Resolution are shown as marked text, with additions double underlined and deletions struck:

This resolution may be amended from time to time by a Supplemental Resolution approved by the Registered Owners of 51% in aggregate principal amount of the Subordinate Lien Parity Bonds Outstanding; provided, that:

- (a) no amendment shall be made which affects the rights of some but fewer than all of the Registered Owners of the Subordinate Lien Parity Bonds Outstanding without the consent of the Registered Owners of 51% in aggregate principal amount of the Subordinate Lien Parity Bonds so affected, and
- (b) except as expressly authorized hereunder, no amendment that alters the interest rates on any Subordinate Lien Parity Bonds, the maturity date, interest payment dates, purchase upon tender or redemption provisions of any Subordinate Lien Parity Bonds, this Section 9(b) without the consent of the Registered Owners of all Subordinate Lien Parity Bonds Outstanding affected thereby.

For the purpose of consenting to amendments under this Section 9 except for amendments that alter the interest rate on any Subordinate Lien Parity Bonds, the maturity date, interest payment dates, purchase upon tender or redemption of any Subordinate Lien Parity Bonds, the Credit Facility Issuer shall be deemed to be the sole Registered Owner of the Subordinate Lien Parity Bonds that are payable from such Credit Facility and that are then Outstanding.

~~This resolution may be amended from time to time by a Supplemental Resolution approved by the Registered Owners of a majority in aggregate principal amount of the Notes then~~

~~Outstanding; provided, that (a) no amendment shall be made which affects the rights of some but fewer than all of the Registered Owners of the Outstanding Notes without the consent of the Registered Owners of a majority in aggregate principal amount of the Notes so affected, and (b) except as expressly authorized hereunder, no amendment which alters the interest rates on any Notes, the maturity date or Interest Payment Dates of any Notes without the consent of the Registered Owners of all Outstanding Notes affected thereby.~~

ARTICLE II. MISCELLANEOUS

Section 2.01. Contract; Severability.

The covenants in this resolution shall constitute a contract for the benefit of the Registered Owners, and the Registered Owners shall be entitled to enforce the provisions hereof in accordance with its terms. If any one or more of the covenants or agreements provided in this resolution to be performed on the part of the Port shall be declared by any court of competent jurisdiction and final appeal (if any appeal be taken) to be contrary to law, then such covenant or covenants, agreement or agreements, shall be null and void and shall be deemed separable from the remaining covenants and agreements in this resolution and shall in no way affect the validity of the other provisions of this resolution or of the Bonds.

Section 2.02. Effect of Amendments.

Exhibit A is incorporated as if set forth herein. Except as specifically amended herein and in Exhibit A, the Original Resolution shall continue in full force and effect in accordance with its original terms.

Section 2.03. Amendments With Credit Facility Issuer's Consent.

Any amendment or supplement to this resolution shall require the prior written consent of the Credit Facility Issuer.

Section 2.04. Immediate Effect.

This resolution shall take effect immediately upon its adoption.

ADOPTED by the Port Commission of the Port of Seattle at a meeting thereof, held this ____ day of _____, 2026, and duly authenticated in open session by the signatures of the commissioners voting in favor thereof.

PORT OF SEATTLE, WASHINGTON

Commissioners

EXHIBIT A: AMENDED DEFINITIONS

As used in this resolution, the following words and phrases shall have the meanings hereinafter set forth unless the context clearly shall indicate that another meaning is intended:

Accreted Value means (a) with respect to any Capital Appreciation Bonds, as of any date of calculation, the sum of the initial principal amount of such Capital Appreciation Bonds plus the interest accumulated, compounded and unpaid thereon as of the most recent compounding date, or (b) with respect to Original Issue Discount Bonds, as of the date of calculation, the amount representing the initial public offering price of such Original Issue Discount Bonds plus the amount of discounted principal which has accreted since the date of issue.

Annual Debt Service means the total amount of Debt Service for all Prior Lien Bonds and Subordinate Lien Parity Bonds Outstanding, and, without duplication, with respect to any Derivative Product, in any fiscal year or Base Period.

Available Revenue means the Gross Revenue of the Port after providing for the payments set forth in paragraphs First through Eighth of Section 3(b) of this resolution. Notwithstanding the foregoing, the Port may adopt a resolution obligating and binding the Port to set aside and pay any part or parts of, or all of, or a fixed proportion of, or a fixed amount of other receipts (not previously included in Gross Revenue) at any time as additional security for any one or more series of Subordinate Lien Parity Bonds; provided that the Port has also obligated and bound itself to set aside and pay such receipts for the benefit of Prior Lien Bonds.

Balloon Maturity Bonds means any Prior Lien Bonds and Subordinate Lien Parity Bonds Outstanding that are so designated in their authorizing resolution or in a certificate of the

Designated Port Representative executed on or prior to their date of issuance. Commercial Paper shall be deemed to be a Balloon Maturity Bond.

Bank Bond means any Subordinate Lien Parity Bonds purchased with proceeds of a Credit Facility or Liquidity Facility or Subordinate Lien Parity Bonds evidencing the Port's obligation to reimburse a Credit Facility Issuer or Liquidity Facility Issuer for the payment of the purchase price of or principal of or interest on any Subordinate Lien Parity Bond.

Base Period means any consecutive 12-month period selected by the Designated Port Representative out of the 30-month period preceding the date of issuance of the series of Future Subordinate Lien Parity Bonds then proposed to be issued.

Bond Counsel means a firm of lawyers nationally recognized and accepted as bond counsel and so employed by the Port for any purpose under this resolution applicable to the use of that term.

Capital Appreciation Bonds mean any Prior Lien Bonds and Subordinate Lien Parity Bonds Outstanding all or a portion of the interest on which is compounded, accumulated and payable only upon redemption or on the maturity date of such Prior Lien Bonds or Subordinate Lien Parity Bonds. If so provided in their authorizing resolution or a certificate of the Designated Port Representative executed on or prior to their date of issuance, Prior Lien Bonds or Subordinate Lien Parity Bonds may be deemed to be Capital Appreciation Bonds for only a portion of their term. On the date on which Prior Lien Bonds or Subordinate Lien Parity Bonds no longer are Capital Appreciation Bonds, they shall be deemed Outstanding in a principal amount equal to their Accreted Value.

Certificate Period means the period commencing with the fiscal year following the year in which the proposed series of Subordinate Lien Parity Bonds are to be issued and extending through the earlier of (a) the third fiscal year in which any portion of interest on the Future Subordinate Lien Parity Bonds then being issued no longer will be paid from the proceeds of such Future Subordinate Lien Parity Bonds and (b) the fifth fiscal year following the year in which the proposed series of Subordinate Lien Parity Bonds are to be issued.

Commercial Paper means any Prior Lien Bond or Subordinate Lien Parity Bond with a maturity not more than 270 days from its date of issuance.

Commission means the Commission of the Port, or any successor thereto as provided by law.

Consultant means at any time an independent consultant nationally recognized in marine or aviation matters or an engineer or engineering firm or other expert appointed by the Port to perform the duties of the Consultant as required by this resolution. For the purposes of delivering any certificate required by Section 4(b)(3)(A)(ii) hereof, the term Consultant shall also include any independent national public accounting firm appointed by the Port to make such calculation or to provide such certificate or nationally-recognized municipal advisor appointed by the Port for purposes of making such calculation.

Credit Facility means a policy of municipal bond insurance, a letter of credit, surety bond, line of credit, guarantee, reimbursement agreement, or other financial instrument or any combination of the foregoing, which obligates a third party to make payment or provide funds for the payment of the purchase price of or the scheduled principal of and interest on Prior Lien

Bonds or Subordinate Lien Parity Bonds. There may be one or more Credit Facilities outstanding at any time.

Credit Facility Issuer means the issuer of any Credit Facility.

Customer Facility Charge or ***CFC*** means any customer facility charge authorized pursuant to state law, including pursuant to RCW 14.08.120, as may be amended from time to time, and imposed upon customers of rental car companies accessing the Facilities for the purpose of financing, designing, constructing, operating and maintaining consolidated rental car facilities and common use transportation equipment and facilities which are used to transport the customer between the consolidated car rental facilities and other Facilities, or any successor provision approving such a charge or a similar charge or fee, and any interest, profits or other income derived from the investment thereof.

Debt Service means, for any period of time,

- (a) with respect to any Outstanding Original Issue Discount Bonds or Capital Appreciation Bonds that are not designated as Balloon Maturity Bonds, the principal amount thereof equal to the Accreted Value thereof maturing or scheduled for redemption in such period, plus the interest, if any, payable during such period;
- (b) with respect to any Outstanding Fixed Rate Bonds, an amount equal to (1) the principal amount coming due or subject to mandatory redemption during such period and for which no sinking fund installments have been established, (2) the amount of any payments required to be made during such period into any sinking fund established for the payment of such principal on the assumption that mandatory sinking fund installments will be applied to the redemption or retirement of such Prior Lien Bonds or Subordinate Lien Parity Bonds on the required redemption or retirement date, plus (3) all interest

payable during such period on any such Prior Lien Bonds and Subordinate Lien Parity Bonds Outstanding;

- (c) with respect to all other series of Prior Lien Bonds and Subordinate Lien Parity Bonds Outstanding, other than Fixed Rate Bonds, Original Issue Discount Bonds or Capital Appreciation Bonds, specifically including but not limited to Balloon Maturity Bonds and Prior Lien Bonds and Subordinate Lien Parity Bonds bearing variable rates of interest, an amount for any period equal to the amount which would have been payable for principal and interest on such Prior Lien Bonds or Subordinate Lien Parity Bonds during such period computed on the assumption that the amount of such Prior Lien Bonds or Subordinate Lien Parity Bonds Outstanding as of the date of such computation would be amortized (1) in accordance with their scheduled maturities or required repayment dates, if any, and any mandatory redemption provisions (disregarding any put, mandatory tender or mandatory purchase provisions) set forth in or approved pursuant to their authorizing resolution, or if scheduled maturities, required repayment dates or mandatory redemption provisions (disregarding any put, mandatory tender or mandatory purchase provisions) are not provided, over a 30-year period commencing with the first fiscal year following the date of computation to provide for essentially level annual debt service of principal and interest over such period and (2) at an interest rate equal to the greater of (A) the average of the applicable Variable Rate Index over the 10-year period ending the week immediately preceding the date of calculation plus 0.50%, and (B) the applicable Variable Rate Index in the week immediately preceding the date of calculation; and
- (d) with respect to Derivative Products, the Port Payments required by contract to be paid to

a Reciprocal Payor under any existing Derivative Product, offset by the Reciprocal Payments during the relevant period, on the assumption that if any such payment is not fixed at the time of execution of the Derivative Product, the amount of such payment will be calculated at the Estimated Average Derivative Rate prevailing during the remaining term of the Derivative Product.

Debt Service shall include reimbursement obligations (and interest accruing thereon) owing to any Credit Facility Issuer or Liquidity Facility Issuer; provided that a Prior Lien Bond or Subordinate Lien Parity Bond and an unreimbursed reimbursement obligation arising with respect to such Prior Lien Bond or Subordinate Lien Parity Bond shall not be deemed to be Outstanding at the same time. With respect to any Prior Lien Bonds or Subordinate Lien Parity Bonds payable in other than U.S. Dollars, Debt Service shall be calculated as provided in or pursuant to their authorizing resolution. Debt Service shall be net of (1) any principal or interest funded out of Prior Lien Bond or Subordinate Lien Parity Bond proceeds and (2) any Debt Service Offset.

Debt Service Offset means receipts of the Port (such as PFCs or CFCs) that are not included in Gross Revenue and that are legally available and pledged by the Port to pay debt service on Prior Lien Parity Bonds and/or Subordinate Lien Parity Bonds for a period not less than the duration of the Certificate Period.

Derivative Facility means a letter of credit, an insurance policy, a surety bond or other credit enhancement device, given, issued or posted as security for the Port's obligations under one or more Derivative Products.

Derivative Payment Date means any date specified in the Derivative Product on which a Port Payment is due and payable under the Derivative Product.

Derivative Product means a written contract or agreement between the Port and a Reciprocal Payor, which provides that the Port's obligations thereunder will be conditioned on the absence of: (i) a failure by the Reciprocal Payor to make any payment required thereunder when due and payable, and (ii) a default thereunder with respect to the financial status of the Reciprocal Payor; and

- (a) under which the Port is obligated to pay, on one or more scheduled and specified Derivative Payment Dates, the Port Payments in exchange for the Reciprocal Payor's obligation to pay or to cause to be paid to the Port, on the same scheduled and specified Derivative Payment Dates, the Reciprocal Payments;
- (b) under which Reciprocal Payments are to be made directly into a bond fund for Prior Lien Bonds or Subordinate Lien Parity Bonds Outstanding;
- (c) for which the Port Payments are either specified to be one or more fixed amounts or are determined according to a formula set forth in the Derivative Product; and
- (d) for which the Reciprocal Payments are either specified to be one or more fixed amounts or are determined according to a formula set forth in the Derivative Product.

Derivative Product Account means the Derivative Product Account, if any, created and established under Section 6 hereof or under another authorizing resolution.

Designated Port Representative means the Executive Director of the Port, the Deputy Executive Director of the Port or the Chief Financial Officer of the Port (or the successor in function to such person(s)) or such other person as may be directed by resolution of the Commission.

EMMA means the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system, located at www.emma.msrb.org, or any successor to its functions.

Estimated Average Derivative Rate means:

- (a) as to the variable rate payments to be made by a party under any Derivative Product,
 - (1) if the Port is the variable rate payor, the greater of the then-prevailing value of the formula set forth in the Derivative Product by which the variable rate payments to be paid by the Port are determined or the average of such variable rate formula during the immediately preceding 12 months;
 - (2) if the Reciprocal Payor is the variable rate payor, the lesser of the then prevailing value of the formula set forth in the Derivative Product by which the variable rate payments to be paid by the Reciprocal Payor are determined or the average of such variable rate formula during the immediately preceding 12 months; and
- (b) when the variable rate to be used in a Derivative Product is a designated hedge of one or more specified maturities of the variable rate Prior Lien Bonds or Subordinate Lien Parity Bonds, the variable rate or rates under the Derivative Product will be deemed to be the same rate or rates estimated for the specified maturity or maturities of the specified Prior Lien Bonds or Subordinate Lien Parity Bonds; and
- (c) if two or more Derivative Products specify the same index and formula for determining and setting their respective variable rates, on the same dates, and for the same periods of time, and with respect to the identical derivative principal amounts, all such Derivative Products shall be deemed to have the same Estimated Average Derivative Rate, calculated in accordance with paragraphs (a)(1) and (a)(2) of this definition and, where

applicable, with respect to the first of such Derivative Products to become effective.

Facilities mean all equipment and all property, real and personal, or any interest therein, whether improved or unimproved, now or hereafter (for as long as any Subordinate Lien Parity Bonds of the Port shall be Outstanding) owned, operated, used, leased or managed by the Port and that contribute in some measure to its Gross Revenue.

First Lien Bonds mean the Outstanding First Lien Bonds and any bonds issued by the Port pursuant to Section 5 of the First Lien Master Resolution, which provides that such bonds shall be on a parity of lien with other series of First Lien Bonds.

First Lien Master Resolution has the meaning set forth in the recitals, as such resolution may be amended in the future in accordance with its terms.

Fitch means Fitch Ratings, Inc., organized and existing under the laws of the State of Delaware, its successors and their assigns, and, if such organization shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, Fitch shall be deemed to refer to any other nationally recognized securities rating agency (other than S&P, Moody's or Kroll) designated by the Designated Port Representative.

Fixed Rate Bonds means Bonds other than Capital Appreciation Bonds, Original Issue Discount Bonds or variable rate Balloon Maturity Bonds with a rate of interest on such Prior Lien Bonds or Subordinate Lien Parity Bonds that is fixed and determinable through their final maturity or for a specified period of time. If so provided in their authorizing resolution or a certificate of the Designated Port Representative executed on or prior to their date of issuance, Prior Lien Bonds or Subordinate Lien Parity Bonds may be deemed to be Fixed Rate Bonds for only a portion of their term.

Future Subordinate Lien Parity Bonds means revenue bonds or other revenue obligations issued by the Port in the future with a lien on Gross Revenue equal to the lien thereon of the Subordinate Lien Parity Bonds Outstanding, including without limitation any Bank Bond issued by the Port in the future with a lien on Gross Revenue equal to the lien thereon of the Subordinate Lien Parity Bonds Outstanding.

Gross Revenue means all income and revenue derived by the Port from any source whatsoever except:

- (a) the proceeds of any borrowing by the Port and the earnings thereon (other than earnings on proceeds deposited in reserve funds);
- (b) income and revenue that may not legally be pledged for revenue bond debt service;
- (c) passenger facility charges (PFCs), head taxes, federal grants or substitutes therefor allocated to capital projects;
- (d) payments made under Credit Facilities or Liquidity Facilities issued to pay or secure the purchase of or payment of a particular series of Prior Lien Bonds or Subordinate Lien Parity Bonds;
- (e) proceeds of insurance or condemnation proceeds other than business interruption insurance;
- (f) income and revenue of the Port separately pledged and used by it to pay and secure the payment of the principal of and interest on any issue or series of Special Revenue Bonds of the Port issued to acquire, construct, equip, install or improve part or all of the particular facilities from which such income and revenue are derived, *provided that* nothing in this subparagraph (f) shall permit the withdrawal from Gross Revenue of any income or revenue derived or to be derived by the Port from any income producing

facility that shall have been contributing to Gross Revenue prior to the issuance of such Special Revenue Bonds and that are not Released Revenues; and

(g) income from investments irrevocably pledged to the payment of bonds to be refunded under any refunding bond plan of the Port.

Notwithstanding the foregoing, the Port may elect to pledge other receipts at any time as additional security for any one or more series of obligations.

Intermediate Lien Parity Bonds means the Outstanding Intermediate Lien Bonds and any future revenue bonds issued pursuant to the Intermediate Lien Master Resolution with a lien on Available Intermediate Lien Revenues (as defined in the Intermediate Lien Master Resolution) on a parity with the lien thereon of the then Outstanding Intermediate Lien Bonds.

Intermediate Lien Master Resolution has the meaning set forth in the recitals, as such resolution may be amended in the future in accordance with its terms.

Kroll means Kroll Bond Rating Agency, Inc. and its successors and assigns, except that if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then the term Kroll shall be deemed to refer to any other nationally recognized securities rating agency (other than Moody's, Fitch or S&P) selected by the Designated Port Representative.

Liquidity Facility means a line of credit, standby purchase agreement or other financial instrument or any combination of the foregoing, which obligates a third party to make payment or to provide funds for the payment of the purchase price of Prior Lien Bonds or Subordinate Lien Parity Bonds. There may be more than one Liquidity Facility providing funds for payment of the purchase price of Prior Lien Bonds or Subordinate Lien Parity Bonds if so provided in or pursuant to the Series Resolution or Series Resolutions.

Liquidity Facility Issuer means the issuer of any Liquidity Facility.

Maximum Annual Debt Service means the highest Annual Debt Service in any future fiscal year.

Moody's means Moody's Ratings, Inc., a corporation duly organized and existing under and by virtue of the laws of the State of Delaware, and its successors and assigns, except that if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then the term Moody's shall be deemed to refer to any other nationally recognized securities rating agency (other than Fitch or S&P or Kroll) selected by the Designated Port Representative.

Net Revenues means Gross Revenue less any part thereof that must be used to pay Operating Expenses.

Operating Expenses means the current expenses incurred for operation or maintenance of the Facilities (other than Special Facilities), as defined under generally accepted accounting principles, in effect from time to time, excluding any allowances for depreciation or amortization or interest on any obligations of the Port incurred in connection with and payable from Gross Revenue, and excluding Operating Expenses paid from sources other than Gross Revenue (e.g. from the Port's property tax levy). Operating Expenses may be further adjusted as may be necessary to reflect more fairly the Port's annual operating performance (e.g. to omit other non-cash items).

Original Issue Discount Bonds means Prior Lien Bonds or Subordinate Lien Parity Bonds that are sold at an initial public offering price of less than 95% of their face value and

that are designated as Original Issue Discount Bonds in their authorizing resolution or a certificate of the Designated Port Representative on or prior to their date of issuance.

Other Revenue Available and Applied to Debt Service means income and revenue derived by the Port from any source whatsoever and not included in Gross Revenue (such as income or revenue generated by or attributable to PFCs, CFCs, or Special Facilities) that the Port receives in a fiscal year and uses to pay debt service on outstanding Prior Lien Bonds or Subordinate Lien Parity Bonds Outstanding in such fiscal year.

Outstanding, when used as of a particular time with reference to Prior Lien Bonds or Subordinate Lien Parity Bonds, means all Prior Lien Bonds Subordinate Lien Parity Bonds delivered pursuant to their authorizing resolution except:

- (a) Prior Lien Bonds or Subordinate Lien Parity Bonds cancelled by the Registrar or surrendered to the Registrar for cancellation;
- (b) Prior Lien Bonds or Subordinate Lien Parity Bonds paid or deemed to have been paid within the meaning of their authorizing resolution; and
- (c) Prior Lien Bonds or Subordinate Lien Parity Bonds in lieu of or in substitution for which replacement Prior Lien Bonds or Subordinate Lien Parity Bonds, as applicable, have been executed by the Port and delivered by the Registrar.

Notwithstanding the foregoing, Bank Bonds and other Prior Lien Bonds or Subordinate Lien Parity Bonds evidencing the Port's obligation to reimburse any Credit Facility Issuer or Liquidity Facility Issuer for the payment of the purchase price of, or principal of or interest on, any Prior Lien Bonds or Subordinate Lien Parity Bonds, as applicable, shall remain Outstanding until the applicable Credit Facility Issuer or Liquidity Facility Issuer is paid all such amounts due.

Outstanding First Lien Bonds has the meaning set forth in the recitals hereto.

Outstanding Intermediate Lien Bonds has the meaning set forth in the recitals hereto.

Outstanding Subordinate Lien Parity Bonds has the meaning set forth in the recitals hereto.

Passenger Facility Charge or ***PFC*** means any charge collected pursuant to the authority granted by the Aviation Safety and Capacity Expansion Act of 1990 (49 U.S.C. § 40117), the Aviation Investment Reform Act of 2000 and 14 C.F.R. Part 158, as amended from time to time, and interest earnings thereon, net of amounts that collecting air carriers are entitled to retain for collecting, handling and remitting such passenger facility charge revenues.

Port means the Port of Seattle, a municipal corporation of the State of Washington, as now or hereafter constituted, or the corporation, authority, board, body, commission, department or officer succeeding to the principal functions of the Port or to whom the powers vested in the Port shall be given by law.

Port Payment means any payment, other than a termination or other nonscheduled payment, required to be made by or on behalf of the Port under a Derivative Product and which is determined according to a formula set forth in a Derivative Product.

Prior Lien Bonds means the First Lien Bonds, the Intermediate Lien Parity Bonds, the Reserved Lien Revenue Bonds, and any other revenue bonds that may be issued in the future at the discretion of the Port payable from Net Revenues as described in paragraphs Second through Eighth of Section 3(b) of this resolution and with a lien on Gross Revenue or Net Revenues superior to the lien thereon of the Subordinate Lien Parity Bonds.

Prior Lien Debt Service (Rate Covenant) means, for any fiscal year, the sum of the amounts required to be deposited during such fiscal year from Net Revenues for the payment of the amounts described in paragraphs Second through Eighth of Section 3(b) of this resolution.

Qualified Insurance means any non-cancellable municipal bond insurance policy or surety bond issued by any insurance company licensed to conduct an insurance business in any state of the United States (or by a service corporation acting on behalf of one or more such insurance companies) which insurance company or companies, as of the time of issuance of such policy or surety bond, are rated in one of the three highest Rating Categories by one or more of the Rating Agencies for unsecured debt or insurance underwriting or claims paying.

Qualified Letter of Credit means any irrevocable letter of credit issued by a financial institution, which institution maintains an office, agency or branch in the United States and as of the time of issuance of such letter of credit, is rated in one of the three highest long-term Rating Categories by one or more of the Rating Agencies.

Rating Agency means Moody's, S&P, Fitch, Kroll, and/or another nationally recognized rating agency, provided such rating agency is then maintaining a rating on the applicable Series of First Lien Bonds or Subordinate Lien Parity Bonds at the request of the Port.

Rating Category means the generic rating categories of a Rating Agency, without regard to any refinement or gradation of such rating category by a numerical modifier or otherwise.

Reciprocal Payment means any payment to be made to, or for the benefit of, the Port under a Derivative Product by the Reciprocal Payor.

Reciprocal Payor means any bank or corporation, partnership or other entity who itself, or whose guarantor, has at the time the Derivative Product is entered into, at least an "A"

rating from a Rating Agency then maintaining a rating on the applicable Prior Lien Bonds or Subordinate Lien Parity Bonds Outstanding, that is a party to a Derivative Product and that is obligated to make one or more Reciprocal Payments thereunder.

Registered Owner means the person named as the registered owner of a Subordinate Lien Parity Bond on the register for such Subordinate Lien Parity Bond. For so long as the Subordinate Lien Parity Bonds are held by a Securities Depository or its nominee, such Securities Depository shall be deemed to be the Registered Owner.

Released Revenues means income or revenue of the Port previously included in Gross Revenue in respect of which the following have been delivered by or to the Port:

- (a) a certificate of the Designated Port Representative identifying the income or revenue to be removed from the definition of Gross Revenue and certifying the Port is in compliance with all requirements of this resolution;
- (b) a certificate of the Port or an independent certified public accountant to the effect that Net Revenue, excluding the income or revenues proposed to become Released Revenues, for each of the two audited fiscal years prior to the date of such certificate were equal to at least 110% of Maximum Annual Debt Service; and
- (c) an opinion of Bond Counsel to the effect that the exclusion of such revenues from the definition of Gross Revenue and from the pledge, charge and lien of this resolution will not in and of itself cause the interest on any Subordinate Lien Parity Bond issued as tax-exempt securities to be included in gross income for purposes of federal income tax.

Repair and Renewal Fund means the special fund authorized to be created pursuant to Section 2(b) of the First Lien Master Resolution.

Reserved Lien Revenue Bonds means those revenue bonds and other revenue obligations issued or incurred by the Port payable from Gross Revenue and having liens on Gross Revenue or Net Revenues subordinate to that of the Intermediate Lien Parity Bonds and prior to the lien thereon of the Subordinate Lien Parity Bonds.

Revenue Fund means, collectively, the Port's general fund, airport development fund and any other fund established in the office of the Treasurer for the receipt of Gross Revenue.

SIFMA Municipal Swap Index means the Securities Industry and Financial Markets Association Municipal Swap Index or such other weekly, high-grade index comprised of seven-day, tax-exempt variable rate demand notes produced by Bloomberg, or its successor, or as otherwise designated by the Securities Industry and Financial Markets Association; *provided*, however, that, if such index is no longer produced by Bloomberg or its successor, then SIFMA Municipal Swap Index shall mean such other reasonably comparable index selected by the Designated Port Representative.

Series Resolution means a resolution adopted by the Commission authorizing the issuance of one or more series of Subordinate Lien Parity Bonds pursuant to the terms of this resolution.

Special Facilities means particular facilities financed with the proceeds of Special Revenue Bonds.

Special Revenue Bonds mean any issue or series of revenue bonds, revenue warrants or other revenue obligations of the Port issued to directly or indirectly acquire (by purchase, lease or otherwise), construct, equip, install or improve part or all of particular facilities (together with

any revenue obligations issued to refund the foregoing), and which are payable from and secured by the income and revenue from such facilities.

SOFR Index means the forward-looking one month term rate based on the secured overnight financing rate that is published by CME Group Benchmark Administration Ltd. (“CME”), or its successor, and displayed on CME’s Market Data Platform (or other commercially available source providing such quotations); *provided*, however, that, if such rate is no longer provided by CME or its successor, then the SOFR Index shall mean such other reasonably comparable index selected by the Designated Port Representative.

S&P means S&P Global Ratings, Inc., and its successors and assigns, except that if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then the term S&P shall be deemed to refer to any other nationally recognized securities rating agency (other than Moody’s or Fitch or Kroll) selected by the Designated Port Representative.

Subordinate Lien Bond Fund means the Port of Seattle Subordinate Lien Bond Fund created or maintained in the office of the Treasurer by authority granted in Section 3(a) of this resolution.

Subordinate Lien Parity Bonds mean the Outstanding Subordinate Lien Parity Bonds and any Future Subordinate Lien Parity Bonds, including without limitation any Bank Bonds issued in connection with the Outstanding Subordinate Lien Parity Bonds and any Bank Bonds issued in connection with Future Subordinate Lien Parity Bonds.

Subordinate Lien Parity Test means (1) if no Debt Service Offset is applied to Debt Service, Net Revenue equal to or greater than 1.05 times Annual Debt Service on all Prior Lien

Bonds and Subordinate Lien Parity Bonds then Outstanding and the Future Subordinate Lien Parity Bonds then proposed to be issued, or (2) if any Debt Service Offset is applied to Debt Service, Net Revenue equal to or greater than 1.10 times Annual Debt Service on all Prior Lien Bonds and Subordinate Lien Parity Bonds then Outstanding and the Future Subordinate Lien Parity Bonds then proposed to be issued.

Subordinate Lien Rate Covenant means the covenant of the Port to establish, maintain and collect rentals, tariffs, rates, fees, and charges in the operation of all of its business for as long as any Subordinate Lien Parity Bonds are Outstanding that will produce Net Revenue in each fiscal year at least equal to 100% of the amounts required to pay the following amounts coming due in such fiscal year:

- (1) Prior Lien Debt Service (Rate Covenant), and
- (2) without duplication and in connection with Subordinate Lien Parity Bonds:
 - (a) principal of and interest on any Subordinate Lien Parity Bond Outstanding that is not Commercial Paper and is not a Bank Bond,
 - (b) interest on any Commercial Paper that is Outstanding during such fiscal year,
 - (c) principal of and interest on any Bank Bond that is Outstanding during such fiscal year,
 - (d) any Port Payments due with respect to any Derivative Product and,
 - (e) to the extent not otherwise provided for in this definition, any amounts due to a Reciprocal Payor,

but excluding from each of the foregoing without duplication, payments made or to be made from Other Revenue Available and Applied to Debt Service, bond proceeds and other money irrevocably set aside for such payment.

Subordinate Lien Resolution means any Outstanding Subordinate Lien Resolution or Series Resolution authorizing the issuance of one or more series of Subordinate Lien Parity Bonds pursuant to this resolution.

Taxable Obligation means any Prior Lien Bond or Subordinate Lien Parity Bond the interest on which is taxable for federal income tax purposes.

Tax-Exempt Obligation means any Prior Lien Bond or Subordinate Lien Parity Bond the interest on which is tax-exempt or tax-advantaged for federal income tax purposes.

Treasurer means the Chief Financial Officer of the Port, or any other public officer as may hereafter be designated pursuant to law to have the custody of Port funds.

Variable Rate Index means, for Tax-Exempt Obligations, the SIFMA Municipal Swap Index and, for Taxable Obligations, the SOFR Index.

CERTIFICATE

I, the undersigned, Secretary of the Port Commission (the “Commission”) of the Port of Seattle, Washington (the “Port”), DO HEREBY CERTIFY:

1. That the attached resolution numbered 3847 (the “Resolution”), is a true and correct copy of a resolution of the Port, as finally adopted at a meeting of the Commission held on the ____ day of _____, 2026, and duly recorded in my office.

2. That said meeting was duly convened and held in all respects in accordance with law, and to the extent required by law, due and proper notice of such meeting was given; that a quorum of the Commission was present throughout the meeting and a legally sufficient number of members of the Commission voted in the proper manner for the adoption of said Resolution; that all other requirements and proceedings incident to the proper adoption of said Resolution have been duly fulfilled, carried out and otherwise observed, and that I am authorized to execute this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of _____, 2026.

Secretary

Item Number: 10a_reso_3
Meeting Date: March 24, 2026

RESOLUTION NO. 3847

A RESOLUTION of the Port Commission of the Port of Seattle, amending Resolution No. 3598, which authorized the issuance and sale of Subordinate Lien Revenue Refunding Bonds, Series 2008, in the aggregate principal amount not to exceed \$201,000,000, for the purpose of refunding certain outstanding subordinate lien revenue bonds of the Port; amending definitions, requirements with respect to the Subordinate Lien Bond Fund, provisions permitting the issuance of additional bonds, bond covenants, defaults and remedies, permitted amendments, and related provisions; and making technical amendments.

Prepared by:

PACIFICA LAW GROUP LLP
Seattle, Washington

Adopted: _____, 2026

PORT OF SEATTLE
RESOLUTION NO. 3847
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RESOLUTION NO. 3847

A RESOLUTION of the Port Commission of the Port of Seattle, amending Resolution No. 3598, which authorized the issuance and sale of Subordinate Lien Revenue Refunding Bonds, Series 2008, in the aggregate principal amount not to exceed \$201,000,000, for the purpose of refunding certain outstanding subordinate lien revenue bonds of the Port; amending definitions, requirements with respect to the Subordinate Lien Bond Fund, provisions permitting the issuance of additional bonds, bond covenants, defaults and remedies, permitted amendments, and related provisions; and making technical amendments.

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

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

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

Authorizing Resolution Number	Date of Original Issue	Series	Original Principal Amount	Principal Amount Outstanding (as of 01/03/2026)	Final Maturity Date
3619	07/16/2009	(B-2)	\$ 22,000,326 ⁽¹⁾	\$ 57,572,236 ⁽¹⁾	05/01/2031
3721	08/02/2016	(B)	124,380,000	75,660,000	10/01/2032
3721	08/02/2016	(C)	6,180,000	3,395,000	10/01/2032
3787	06/30/2021		43,015,000	9,540,000	09/01/2026
				\$146,167,236	

⁽¹⁾ Series 2009B-2 Bonds are capital appreciation bonds; total principal amount outstanding includes accreted interest of \$40,174,645 through January 3, 2026.

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

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

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

Authorizing Resolution Number	Date of Original Issue	Series	Original Principal Amount	Principal Outstanding (As of 01/03/2026)	Final Maturity Date
3709	08/06/2015	(C)	\$226,275,000	\$165,730,000	04/01/2040
3722	08/02/2016		99,095,000	84,555,000	02/01/2030
3735	08/22/2017	(A)	16,705,000	16,705,000	05/01/2028
3735	08/22/2017	(B)	264,925,000	161,930,000	05/01/2036
3735	08/22/2017	(C)	313,305,000	261,675,000	05/01/2042
3735	08/22/2017	(D)	93,230,000	23,830,000	05/01/2027
3749	06/21/2018	(A)	470,495,000	404,975,000	05/01/2043
3749	06/21/2018	(B)	85,145,000	32,225,000	05/01/2028
3758	08/07/2019		457,390,000	406,220,000	04/01/2044
3786	06/30/2021	(A)	47,025,000	9,430,000	12/01/2030
3786	06/30/2021	(B)	148,765,000	127,790,000	06/01/2040
3786	06/30/2021	(C)	514,390,000	443,015,000	08/01/2046
3786	06/30/2021	(D)	41,395,000	31,490,000	08/01/2031
3801	08/11/2022	(A)	206,200,000	190,155,000	08/01/2033
3801	08/11/2022	(B)	585,930,000	537,495,000	08/01/2047
3801	08/11/2022	(C)	70,435,000	34,975,000	08/01/2032
3826	08/15/2024	(A)	168,975,000	158,955,000	03/01/2040
3826	08/15/2024	(B)	648,940,000	632,855,000	07/01/2049
3837	08/21/2025	(A)	74,235,000	74,235,000	10/01/2050
3837	08/21/2025	(B)	650,460,000	650,460,000	10/01/2050
3837	08/21/2025	(C)	22,550,000	22,550,000	09/01/2032
				<u>\$4,471,250,000</u>	

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

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

Authorizing Resolution Number	Date of Original Issue	Original Principal Amount	Principal Amount Outstanding (1/3/2026)	Final Maturity Date
3456 ⁽¹⁾	(CP)	\$ 400,000,000	\$120,000,000	06/01/2051
3598	06/17/2008	200,715,000	110,335,000	07/01/2033
			<u>\$230,335,000</u>	

⁽¹⁾ As amended by Resolution No. 3777, adopted on September 22, 2020.

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

WHEREAS, the Outstanding Subordinate Lien Resolutions authorize amendments thereto from time to time by a Supplemental Resolution approved by the registered owners of 51% in aggregate principal amount of the then Outstanding Subordinate Lien Parity Bonds. The Outstanding Subordinate Lien Resolutions further deem any Credit Facility Issuer (as defined therein) to be the sole registered owner of any Outstanding Subordinate Lien Parity Bonds that are payable from the credit facility provided by such Credit Facility Issuer for the purpose of consenting to amendments, except for amendments that alter the interest rate on any Outstanding Subordinate Lien Parity Bonds, the maturity date, interest payment dates, purchase upon tender or redemption of any Outstanding Subordinate Lien Parity Bonds; and

WHEREAS, with the consent of the Credit Facility Issuer of a credit facility securing the payment of the Outstanding Subordinate Lien Revenue Refunding Bonds, Series 2008, the Port intends to amend the covenants set forth in the Outstanding Subordinate Lien Resolutions, specifically including Resolution No. 3598, as amended (the “Original Resolution”); and

WHEREAS, the Port now desires to amend the Original Resolution pursuant to Section 7.07(a) thereof;

WHEREAS, the Commission deems it advisable and in the best interest of the Port to adopt this resolution amending the Original Resolution;

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

ARTICLE I. AMENDMENTS

Section 1.01. Definitions (Amended).

Section 1.01 of the Original Resolution is hereby amended to read as set forth in this section. Additions and deletions from the Original Resolution are shown as marked text, with additions double underlined and deletions struck:

Unless the context otherwise requires, the following terms shall have the following meanings.

Accreted Value has the meaning set forth in Exhibit A ~~means (a) with respect to any Capital Appreciation Bonds, as of any date of calculation, the sum of the initial principal amount of such Subordinate Lien Parity Bonds plus the interest accumulated, compounded and unpaid thereon as of the most recent compounding date, or (b) with respect to Original Issue Discount Bonds, as of the date of calculation, the amount representing the initial public offering price of such Subordinate Lien Parity Bonds plus the amount of discounted principal which has accreted since the date of issue. In each case the Accreted Value shall be determined in accordance with the provisions of the Subordinate Lien Resolution authorizing the issuance of such Subordinate Lien Parity Bonds.~~

~~*Aggregate Annual Debt Service* means Annual Debt Service for all Outstanding Subordinate Lien Parity Bonds and all Subordinate Lien Parity Bonds authorized but unissued under a Subordinate Lien Resolution unless such unissued Subordinate Lien Parity Bonds are~~

~~authorized to provide permanent financing in connection with the issuance of short term obligations, and, without duplication, Annual Debt Service with respect to any Derivative Product.~~

Aggregate Interest Coverage means, as of any date, the aggregate amount of Interest Coverage determined with respect to Bonds in the Commercial Paper Mode, including all Interest Periods then in effect.

Annual Debt Service ~~has the meaning set forth in Exhibit A means the total amount of Debt Service for any Series of Outstanding Subordinate Lien Parity Bonds, and, without duplication, with respect to any Derivative Product, in any fiscal year or Base Period.~~

Authorized Denominations means:

(a) with respect to Bonds in a Commercial Paper Mode, \$100,000 and any integral multiple of \$1,000 in excess thereof within a maturity,

(b) with respect to Bonds in a Daily Mode or Weekly Mode, \$100,000 and any integral multiple of \$5,000 in excess thereof within a maturity,

(c) with respect to Bonds in a Long Term Mode or a Fixed Rate Mode, \$5,000 and any integral multiple thereof within a maturity, and

(d) with respect to Bank Bonds, any amount (but only during the period that such Bonds are Bank Bonds).

Available Revenue ~~has the meaning set forth in Exhibit A means the Gross Revenue of the Port after providing for the payments set forth in paragraphs First, Second, Third and Fourth of Section 5.01(b) of this resolution. Notwithstanding the foregoing, the Port may adopt a resolution obligating and binding the Port to set aside and pay any part or parts of, or all of, or a fixed proportion of, or a fixed amount of other receipts (not previously included in Gross Revenue) at any time as additional security for any one or more series of Subordinate Lien Parity Bonds;~~

provided that the Port has also obligated and bound itself to set aside and pay such receipts for the benefit of Permitted Prior Lien Bonds.

Balloon Maturity Bonds has the meaning set forth in Exhibit A and shall include the Bonds means, ~~except as provided in Section 2.02(b), the Bonds, the Subordinate Lien Revenue Bonds, Series 1997, the Subordinate Lien Revenue Commercial Paper Notes, the Series 2003C Bonds, the Subordinate Lien Revenue Bonds, Series 2005, and any Future Subordinate Lien Parity Bonds that are so designated in the Subordinate Lien Resolution pursuant to which such Future Subordinate Lien Parity Bonds are issued. Commercial paper (obligations with a maturity of not more than 270 days from the date of issuance) shall be deemed to be Balloon Maturity Bonds.~~

Bank means, ~~initially, Landesbank Hessen-Thüringen Girozentrale, acting through its New York Branch~~ Bank of America, N.A., and any successor Bank appointed by the Designated Port Representative pursuant to this resolution.

Bank Bonds has the meaning set forth in Exhibit A ~~shall have the meaning set forth in Section 4.04 hereof.~~

Bank Interest Rate means the rate of interest payable with respect to Bank Bonds, if any, which rate of interest shall be determined in accordance with the provisions of the Reimbursement Agreement.

Bank Purchase Subaccount means the subaccount by that name created within the Purchase Account in accordance with Section 4.04 hereof.

Base Period has the meaning set forth in Exhibit A ~~means any consecutive 12-month period selected by the Designated Port Representative out of the 30-month period next preceding the date of issuance of an additional series of Future Subordinate Lien Parity Bonds.~~

Beneficial Owner means any person that has or shares the power, directly or indirectly, to make investment decisions concerning ownership of any Bonds (including persons holding Bonds through nominees, depositories or other intermediary).

Bond or Bonds means the Port of Seattle Subordinate Lien Revenue Refunding Bonds, Series 2008.

Bond Counsel means a firm of lawyers nationally recognized and accepted as bond counsel and so employed by the Port for any purpose under this resolution applicable to the use of that term.

Bond Purchase Contract means the purchase contract relating to the Bonds between the Port and the Underwriter.

Bond Register means the registration records for the Bonds maintained by the Registrar.

Business Day means a day (a) other than a day on which banks in Seattle, Washington or New York, New York, the Securities Depository, the Registrar, the Remarketing Agent, the Credit Facility Issuer or the Liquidity Facility Provider are authorized or required to be closed and (b) on which the New York Stock Exchange is not closed.

Capital Appreciation Bonds ~~has the meaning set forth in Exhibit A~~ ~~mean Subordinate Lien Parity Bonds all or a portion of the interest on which is compounded, accumulated and payable only upon redemption or on the maturity date of such Subordinate Lien Parity Bonds. If so provided in the Subordinate Lien Resolution authorizing their issuance, Subordinate Lien Parity Bonds may be deemed to be Capital Appreciation Bonds for only a portion of their term. On the date on which Subordinate Lien Parity Bonds no longer are Capital Appreciation Bonds, they shall be deemed Outstanding in a principal amount equal to their Accreted Value.~~

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

Code means the Internal Revenue Code of 1986, as amended, together with corresponding and applicable final, temporary or proposed regulations or revenue rulings issued or amended with respect thereto by the U.S. Treasury Department or the Internal Revenue Service, to the extent applicable to the Bonds.

Commercial Paper has the meaning set forth in Exhibit A.

Commercial Paper Bond means a Bond while in a Commercial Paper Mode.

Commercial Paper Mode means the Mode in which the Bonds or Bonds of a Series bear interest at Commercial Paper Rates for Interest Periods established pursuant to Section 2.09.

Commercial Paper Rate means the per annum interest rate for a Bond in the Commercial Paper Mode determined pursuant to Section 2.09.

Commission means the Commission of the Port, or any successor thereto as provided by law.

~~*Consultant* has the meaning set forth in Exhibit A means at any time an independent consultant nationally recognized in marine or aviation matters or an engineer or engineering firm or other expert appointed by the Port to perform the duties of the Consultant as required by this resolution. For the purposes of delivering any certificate required by Section 5.04 hereof and making the calculation required by Section 5.04 hereof, the term Consultant shall also include any independent national public accounting firm appointed by the Port to make such calculation or to provide such certificate or nationally recognized financial advisor appointed by the Port for purposes of making such calculation.~~

Costs of Construction means all costs paid or incurred by the Port in connection with the acquisition and construction of capital additions, improvements and betterments to and extensions of the Facilities, and the placing of the same in operation, including, but without limiting the

generality of the foregoing, paying all or a portion of the interest on the series of Subordinate Lien Parity Bonds or any portion thereof issued to finance the costs of such improvements during the period of construction of such improvements, and for a period of time thereafter; paying amounts required to meet any reserve requirement for the fund or account established or maintained for such series of Subordinate Lien Parity Bonds from the proceeds thereof; paying or reimbursing the Port or any fund thereof or any other person for expenses incident and properly allocable to the acquisition and construction of said improvements and the placing of the same in operation; and all other items of expense incident and properly allocable to the acquisition and construction of said additions and improvements, the financing of the same and the placing of the same in operation.

Credit Facility has the meaning set forth in Exhibit A ~~means, initially, the Letter of Credit and, thereafter, a policy of municipal bond insurance, a letter of credit, surety bond, line of credit, guarantee or other financial instrument or any combination of the foregoing, which obligates a third party to make payment or provide funds for the payment of financial obligations of the Port, including but not limited to payment of the scheduled principal of and interest on Bonds or Bonds of a Series. There may be one or more Credit Facilities outstanding at any time.~~

Credit Facility Issuer means the Bank ~~initially~~ and shall include the issuer of any other Credit Facility.

Current Mode means, on any date, the Mode in effect on that date for the Bonds or Bonds of a Series.

Customer Facility Charge or ***CFC*** has the meaning set forth in Exhibit A.

Daily Mode means the Mode in which the interest rate on the Bonds or Bonds of a Series is determined on each Business Day.

Daily Rate means the per annum interest rate on Bonds in the Daily Mode determined pursuant to Section 2.09.

~~*Date of Commercial Operation* means the date upon which any Facilities are first ready for normal continuous operation or, if portions of the Facilities are placed in normal continuous operation at different times, shall mean the midpoint of the dates of continuous operation of all portions of such Facilities, as estimated by the Port or, if used with reference to Facilities to be acquired, shall mean the date on which such acquisition is final.~~

Debt Service has the meaning set forth in Exhibit A means, for any period of time,

~~(a) — with respect to any Outstanding Original Issue Discount Bonds or Capital Appreciation Bonds that are not designated as Balloon Maturity Bonds in the Subordinate Lien Resolution authorizing their issuance, the principal amount thereof equal to the Accreted Value thereof maturing or scheduled for redemption in such period, including the interest payable during such period;~~

~~(b) — with respect to any Outstanding Fixed Rate Bonds, an amount equal to (1) the principal amount of such Subordinate Lien Parity Bonds due or subject to mandatory redemption during such period and for which no sinking fund installments have been established, (2) the amount of any payments required to be made during such period into any sinking fund established for the payment of the principal of any such Subordinate Lien Parity Bonds, plus (3) all interest payable during such period on any such Subordinate Lien Parity Bonds Outstanding and with respect to Subordinate Lien Parity Bonds with mandatory sinking fund requirements, calculated on the assumption that mandatory sinking fund installments will be applied to the redemption or retirement of such Subordinate Lien Parity Bonds on the date specified in the Subordinate Lien Resolution authorizing such Subordinate Lien Parity Bonds;~~

~~(c) — with respect to all other series of Subordinate Lien Parity Bonds Outstanding, other than Fixed Rate Bonds, Original Issue Discount Bonds or Capital Appreciation Bonds, specifically including but not limited to Balloon Maturity Bonds and Subordinate Lien Parity Bonds bearing variable rates of interest, an amount for any period equal to the amount which would have been payable for principal and interest on such Subordinate Lien Parity Bonds during such period computed on the assumption that the amount of Subordinate Lien Parity Bonds Outstanding as of the date of such computation would be amortized (1) in accordance with the mandatory redemption provisions, if any, set forth in the Subordinate Lien Resolution authorizing the issuance of such Subordinate Lien Parity Bonds, or if mandatory redemption provisions are not provided, during a period commencing on the date of computation and ending on the date 30 years after the date of issuance to provide for essentially level annual debt service of principal and interest over such period and (2) at an interest rate equal to the yield to maturity set forth in the 40 Bond Index published in the edition of *The Bond Buyer* (or comparable publication or such other similar index selected by the Port with the approval of the Consultant, if applicable) selected by the Port and published within ten days prior to the date of calculation or, if such calculation is being made in connection with the certificate required by Section 5.04 hereof, then within ten days of the date of such certificate; and~~

~~(d) — with respect to Derivative Products, the Port Payments required by contract to be paid to a Reciprocal Payor under any existing Derivative Product, offset by the Reciprocal Payments during the same period during the relevant period, on the assumption that if any such payment is not fixed at the time of execution of the Derivative Product, the amount of such payment will be calculated at the Estimated Average Derivative Rate prevailing during the remaining term of the Derivative Product.~~

~~With respect to any Subordinate Lien Parity Bonds payable in other than U.S. Dollars, Debt Service shall be calculated as provided in the Subordinate Lien Resolution authorizing the issuance of such bonds. Debt Service shall be net of any interest funded out of Subordinate Lien Parity Bond proceeds. Debt Service also shall be net of any principal funded out of Subordinate Lien Parity Bond proceeds and shall be net of any principal and/or interest (not including any amount deposited in any reserve account for payment of principal and/or interest) funded from proceeds of any Permitted Prior Lien Bonds or any other obligations thereafter issued for such purposes. Debt Service shall include reimbursement obligations (and interest accruing thereon) owing to any Credit Facility Issuer or Liquidity Facility Issuer to the extent authorized herein or in another Subordinate Lien Resolution.~~

Debt Service Offset has the meaning set forth in Exhibit A.

Default Tender Date means the Business Day that is two Business Days prior to the termination of a Credit Facility because an event of default under a Reimbursement Agreement has occurred or due to a non-reinstatement of interest under the Credit Facility, but in any event no later than five Business Days following receipt of the notice of non-reinstatement.

Derivative Facility means a letter of credit, an insurance policy, a surety bond or other credit enhancement device, given, issued or posted as security for the Port's obligations under one or more Derivative Products.

Derivative Payment Date means any date specified in the Derivative Product on which a Port Payment is due and payable under the Derivative Product.

Derivative Product has the meaning set forth in Exhibit A ~~means a written contract or agreement between the Port and a Reciprocal Payor, which provides that the Port's obligations thereunder will be conditioned on the absence of: (i) a failure by the Reciprocal Payor to make~~

any payment required thereunder when due and payable, and (ii) a default thereunder with respect to the financial status of the Reciprocal Payor; and

(a) ~~under which the Port is obligated to pay, on one or more scheduled and specified Derivative Payment Dates, the Port Payments in exchange for the Reciprocal Payor's obligation to pay or to cause to be paid to the Port, on the same scheduled and specified Derivative Payment Dates, the Reciprocal Payments;~~

(b) ~~subject to Section 5.06, for which the Port's obligations to make all or any portion of Port Payments may be secured by a pledge of and lien on Available Revenue on an equal and ratable, but not prior, basis with the Outstanding Subordinate Lien Parity Bonds;~~

(c) ~~under which Reciprocal Payments are to be made directly into a bond fund for the Outstanding Subordinate Lien Parity Bonds;~~

(d) ~~for which the Port Payments are either specified to be one or more fixed amounts or are determined according to a formula set forth in the Derivative Product; and~~

(e) ~~for which the Reciprocal Payments are either specified to be one or more fixed amounts or are determined according to a formula set forth in the Derivative Product.~~

Derivative Product Account means the Derivative Product Account, if any, created and established under Section 5.06 hereof or under another Subordinate Lien Resolution.

Designated Port Representative has the meaning set forth in Exhibit A ~~means the Chief Executive Officer of the Port, the Deputy Chief Executive Officer of the Port or the Chief Financial Officer of the Port (or the successor in function to such person(s)) or such other person as may be directed by resolution of the Commission.~~

EMMA has the meaning set forth in Exhibit A.

Discharge occurs on the date that all amounts due under the terms of a Bond are actually and unconditionally due if cash is available at the place of payment, and no interest accrues with respect to the Bond after such date.

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

Electronic Means mean e-mail, telecopy, telegraph, telex, facsimile transmission, time sharing terminal or any electronic means of communication that produces a written record.

~~**Escrow Agent**, if any is required, means Wells Fargo Bank, National Association.~~

Escrow Agreement means the Escrow Deposit Agreement, dated the date of issuance of the Bonds, between the Port and the Escrow Agent identified therein.

~~**Estimated Average Derivative Rate** has the meaning set forth in Exhibit A means:~~

~~(a) — as to the variable rate payments to be made by a party under any Derivative Product,~~
~~—— (1) — if the Port is the variable rate payor, the greater of the then-prevailing value of the formula set forth in the Derivative Product by which the variable rate payments to be paid by the Port are determined or the average of such variable rate formula during the immediately preceding 12 months;~~

~~—— (2) — if the Reciprocal Payor is the variable rate payor, the lesser of the then-prevailing value of the formula set forth in the Derivative Product by which the variable rate payments to be paid by the Reciprocal Payor are determined or the average of such variable rate formula during the immediately preceding 12 months; and~~

~~(b) — when the variable rate to be used in a Derivative Product is a designated hedge of one or more specified maturities of the variable rate Subordinate Lien Parity Bonds, the variable~~

~~rate or rates under the Derivative Product will be deemed to be the same rate or rates estimated for the specified maturity or maturities of the specified Subordinate Lien Parity Bonds; and~~

~~(e) if two or more Derivative Products specify the same index and formula for determining and setting their respective variable rates, on the same dates, and for the same periods of time, and with respect to the identical derivative principal amounts, all such Derivative Products shall be deemed to have the same Estimated Average Derivative Rate, calculated in accordance with paragraphs (a)(1) and (a)(2) of this definition and, where applicable, with respect to the first of such Derivative Products to become effective.~~

Expiration Date means the stated expiration date of the Credit Facility or Liquidity Facility.

Expiration Tender Date means the day that is one Business Day prior to the Expiration Date.

Facilities has the meaning set forth in Exhibit A ~~mean all equipment and all property, real and personal, or any interest therein, whether improved or unimproved, now or hereafter (for as long as any Bonds of the Port shall be Outstanding) owned, operated, used, leased or managed by the Port and that contribute in some measure to its Gross Revenue.~~

Favorable Opinion of Bond Counsel means, with respect to any action, a written legal opinion of Bond Counsel, to the effect that such action is permitted under the laws of the State and this resolution and will not impair the exclusion of interest on a Bond from gross income for federal income tax purposes (subject to any exceptions contained in the opinion delivered upon original issuance of such Bond). The Favorable Opinion of Bond Counsel shall be addressed, or a reliance letter provided, to any Remarketing Agent and any Credit Facility Issuer.

Federal Tax Certificate means the certificate executed by the Designated Port Representative pertaining to certain federal tax matters with respect to the Bonds.

First Lien Bonds mean the Outstanding First Lien Bonds and any bonds issued by the Port in the future under a Series Resolution (as defined in the First Lien Master Resolution) and pursuant to Section 7 of the First Lien Master Resolution, which provides that such bonds shall be on a parity of lien with other series of First Lien Bonds.

First Lien Master Resolution ~~has the meaning set forth in Exhibit A~~ ~~means Resolution No. 3059, as amended, of the Commission adopted on February 2, 1990, as amended by Resolution No. 3214, adopted on March 26, 1996, Resolution No. 3241, adopted on April 8, 1997, and Resolution No. 3436, adopted on July 11, 2000, and as amended and restated by Resolution No. 3577, adopted on February 27, 2007, of the Commission and as the same may be amended in the future in accordance with its terms.~~

Fiscal Agency Agreement means the Agreement for Fiscal Agency Services ~~dated January 1, 2008, between the State of Washington and The Bank of New York~~ U.S. Bank Trust Company, National Association, and any amendments and supplements thereto and replacements thereof.

Fitch ~~has the meaning set forth in Exhibit A~~ ~~means Fitch Ratings, Inc., organized and existing under the laws of the State of Delaware, its successors and their assigns, and, if such organization shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, Fitch shall be deemed to refer to any other nationally recognized securities rating agency (other than S&P or Moody's) designated by the Designated Port Representative.~~

Fixed Mode means the Mode in which the Bonds or Bonds of a Series bear interest at a Fixed Rate or Fixed Rates to the Maturity Date or Maturity Dates.

Fixed Rate means a per annum interest rate or rates borne by Bonds or Bonds of a Series to the maturity thereof determined pursuant to Section 2.09.

Fixed Rate Bonds ~~has the meaning set forth in Exhibit A means Bonds other than Capital Appreciation Bonds, Original Issue Discount Bonds or Balloon Maturity Bonds issued under a Subordinate Lien Resolution in which the rate of interest on such Subordinate Lien Parity Bonds is fixed and determinable through their final maturity or for a specified period of time. If so provided in the Subordinate Lien Resolution authorizing their issuance, Subordinate Lien Parity Bonds may be deemed to be Fixed Rate Bonds for only a portion of their term.~~

Future Subordinate Lien Parity Bonds ~~has the meaning set forth in Exhibit A means revenue bonds or other revenue obligations issued by the Port in the future with a lien on Net Revenues equal to the lien thereon of the Bonds and the Outstanding Subordinate Lien Bonds.~~

Government Obligations has the meaning given to such term in RCW Chapter 39.53, as amended; provided that such obligations must be noncallable obligations issued or unconditionally guaranteed by the United States of America.

Gross Revenue ~~has the meaning set forth in Exhibit A means all income and revenue derived by the Port from any source whatsoever except:~~

- ~~(a) — the proceeds of any borrowing by the Port and the earnings thereon (other than earnings on proceeds deposited in reserve funds);~~
- ~~(b) — income and revenue that may not legally be pledged for revenue bond debt service;~~
- ~~(c) — passenger facility charges, head taxes, federal grants or substitutes therefor allocated to capital projects;~~
- ~~(d) — payments made under Credit Facilities issued to pay or secure the payment of a particular series of Subordinate Lien Parity Bonds;~~

~~(e) — proceeds of insurance or condemnation proceeds other than business interruption insurance;~~

~~(f) — income and revenue of the Port separately pledged and used by it to pay and secure the payment of the principal of and interest on any issue or series of Special Revenue Bonds of the Port issued to acquire, construct, equip, install or improve part or all of the particular facilities from which such income and revenue are derived, provided that nothing in this subparagraph (f) shall permit the withdrawal from Gross Revenue of any income or revenue derived or to be derived by the Port from any income producing facility that shall have been contributing to Gross Revenue prior to the issuance of such Special Revenue Bonds; and~~

~~(g) — income from investments irrevocably pledged to the payment of bonds issued or to be refunded under any refunding bond plan of the Port.~~

~~Notwithstanding the foregoing, the Port may elect to pledge other receipts at any time as additional security for any one or more series of obligations.~~

Interest Accrual Period means the period during which a Bond accrues interest payable on any Interest Payment Date, commencing on the last Interest Payment Date to which interest has been paid (or, if no interest has been paid in such Mode, commencing on the date of original authentication and delivery of such Bond, or the Mode Change Date, as the case may be) to, but not including, the Interest Payment Date on which interest is to be paid. Notwithstanding anything to the contrary in the foregoing, the Interest Accrual Period for any Bank Bond shall begin on the date that Bond becomes a Bank Bond and shall end on the day immediately preceding the day that Bond ceases to be a Bank Bond and the Interest Accrual Period for the Reimbursement Bond shall be as specified in the Reimbursement Agreement.

Interest Coverage means with respect to each Bond in the Commercial Paper Mode, a dollar amount determined in accordance with the following formula:

$$((R \times P) \div 365) \times (D + 15)$$

R = Commercial Paper Rate, applicable to such Bond

P = Principal amount of Bonds bearing interest at such Commercial Paper Rate

D = Duration (in days) of the Commercial Paper Interest Period applicable to such Bond

Interest Payment Date means:

- (a) with respect to Bonds in the Commercial Paper Mode, the Purchase Date;
- (b) with respect to Bonds in the Daily Mode, the first Business Day of each month;
- (c) with respect to Bonds in the Weekly Mode, the first Wednesday of each month, or the next succeeding Business Day if the first Wednesday of any month is not a Business Day;
- (d) with respect to Bonds in the Long Term Mode (1) the first Business Day of each January and July prior to the Purchase Date and (2) the Purchase Date;
- (e) with respect to Bonds in the Fixed Mode, each January 1 and July 1;
- (f) with respect to Bank Bonds, as to that portion of the Purchase Price of the Bond paid by the Credit Facility Issuer or Liquidity Facility Issuer, as the case may be, and constituting accrued interest, the date of purchase and thereafter, the dates specified in the Reimbursement Agreement, the applicable Maturity Date, the date of any optional redemption of a Bank Bond and the date of any remarketing of that Bank Bond;
- (g) any Mode Change Date (but only with respect to the particular Bonds changing Modes on that date);
- (h) any Mandatory Purchase Date (but only with respect to the particular Bonds subject to purchase on that date);

(i) the Maturity Date (but only with respect to the particular Bonds maturing on that date); and

(j) with respect to the Reimbursement Bond, the dates specified therefor in the Reimbursement Agreement.

Interest Period means the period of time that any interest rate remains in effect for the Bonds, which period:

(a) with respect to Bonds in the Commercial Paper Mode, shall be a period of at least one day, but not more than 270 days, established pursuant to Section 2.09;

(b) with respect to Bonds in the Weekly Mode, shall be from and including the first day that the Bonds become subject to the Weekly Mode to and including the following Tuesday and thereafter commencing on each Wednesday to and including Tuesday of the following week, *provided that* in the case of a conversion from a Weekly Mode to a different Mode, the last Interest Period prior to conversion shall end on the last day immediately preceding the Mode Change Date;

(c) with respect to the Long Term Mode, initially, shall be a period of one year or more from and including the Mode Change Date to, but not including, the Purchase Date established pursuant to Section 2.09, and thereafter shall be the period of one year or more from and including such Purchase Date to but not including the next Purchase Date or Maturity Date established by the Remarketing Agent pursuant to Section 2.09;

(d) with respect to Bonds in the Fixed Mode, shall be from and including the Mode Change Date for those Bonds to but not including the Maturity Date for those Bonds;

(e) with respect to the Daily Mode, the period from and including each Business Day during which the Bonds are in the Daily Mode to but excluding the next Business Day; and

(f) with respect to any Bank Bond, the period from the date that Bond becomes a Bank Bond to but not including the date that Bond ceases to be a Bank Bond.

In no event shall an Interest Period for any Bond extend beyond the Maturity Date for that Bond or, except in the case of Bank Bonds, the day preceding any Mandatory Purchase Date for that Bond.

Interest Portion means the dollar amount available with respect to Bonds to be drawn under the Credit Facility or Liquidity Facility then in effect to pay interest, and/or the portion of the Purchase Price constituting interest, on Bonds.

Interest Rate means a Daily Rate, a Weekly Rate, a Long Term Rate, a Fixed Rate or a Commercial Paper Rate, as the context requires.

Intermediate Lien Parity Bonds ~~has the meaning set forth in Exhibit A—means the Outstanding Intermediate Lien Bonds and any future revenue bonds issued pursuant to the Intermediate Lien Master Resolution with a lien on Available Intermediate Lien Revenues (as defined in the Intermediate Lien Master Resolution) on a parity with the lien thereon of the Outstanding Intermediate Lien Bonds.~~

Intermediate Lien Master Resolution ~~has the meaning set forth in Exhibit A~~ means Resolution No. 3540 of the Port adopted by the Commission on June 14, 2005.

Kroll ~~has the meaning set forth in Exhibit A.~~

Letter of Credit means the irrevocable letter of credit issued by the Bank ~~on the Closing Date~~ securing the payment of the principal of and interest on the Bonds. The Letter of Credit is the ~~initial~~ Credit Facility and the ~~initial~~ Liquidity Facility.

Letter of Representations means the Blanket Issuer Letter of Representations from the Port to DTC.

Liquidity Facility ~~has the meaning set forth in Exhibit A and initially is the Letter of Credit means, initially, the Letter of Credit and, thereafter, a line of credit, standby purchase agreement or other financial instrument or any combination of the foregoing, which obligates a third party to make payment or to provide funds for the payment of the Purchase Price of Bonds or Bonds of a Series. There may be more than one Liquidity Facility providing for payment of the Purchase Price of Bonds or Bonds of a Series.~~

Liquidity Facility Issuer means the Bank ~~initially~~ and shall include the issuer of any Liquidity Facility.

Long Term Bond means any Bond or Bonds of a Series while in the Long Term Mode.

Long Term Mode means the Mode in which the interest rate on the Bonds or Bonds of a Series is determined for a period of one year or longer.

Long Term Rate means the per annum interest rate for a term of one year or more to be borne by Bonds or Bonds of a Series on and after a Mode Change Date for such Bonds to a Long Term Mode, which rates shall be determined in accordance with Section 2.09.

Mandatory Purchase Date means:

- (a) any Purchase Date for a Bond in the Commercial Paper Mode or the Long Term Mode,
- (b) any Mode Change Date for the Bonds or Bonds of a Series changing Modes,
- (c) any Substitution Tender Date or Expiration Tender Date,
- (d) any Default Tender Date, and
- (e) any Resolution Tender Date.

Maturity Date means the date designated in the Bond Purchase Contract pursuant to Section 6.04 of this resolution, which date shall be no later than July 1, 2033, and upon a change

of Bonds to the Long Term Mode or Fixed Mode, any Serial Maturity Date or Term Maturity Date for such Bonds established pursuant to Section 3.01.

~~**Maximum Annual Debt Service** has the meaning set forth in Exhibit A means, with respect to any Outstanding series of Subordinate Lien Parity Bonds, the highest remaining Annual Debt Service for such series of Subordinate Lien Parity Bonds.~~

Maximum Rate means, on any day, the least of (a) 15%, (b) the maximum interest rate permitted by applicable law, and (c) the per annum interest rate used under any Credit Facility or any Liquidity Facility then in effect for the Bonds.

Mode means the Commercial Paper Mode, the Daily Mode, the Weekly Mode, the Long Term Mode or the Fixed Mode, as the context may require.

Mode Change Date means the date one Mode terminates for the Bonds or Bonds of a Series and another Mode for such Bonds begins.

Mode Change Notice means the notice sent by the Registrar to the Registered Owners pursuant to Section 2.10 notifying the Registered Owners that a change in Mode is to occur.

~~**Moody's** has the meaning set forth in Exhibit A means Moody's Investors Service, Inc., a corporation duly organized and existing under and by virtue of the laws of the State of Delaware, and its successors and assigns, except that if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then the term Moody's shall be deemed to refer to any other nationally recognized securities rating agency (other than Fitch or S&P) selected by the Designated Port Representative.~~

Net Revenues means Gross Revenue less any part thereof that must be used to pay Operating Expenses.

New Mode means the Mode to which the Bonds or Bonds of a Series are to be changed in accordance with Section 2.10.

Notice Parties means the Port, the Remarketing Agent (if any), the Registrar, any Credit Facility Issuer (if any), and the Liquidity Facility Issuer (if any).

Operating Expenses ~~has the meaning set forth in Exhibit A~~ means the current expenses incurred for operation or maintenance of the Facilities (other than Special Facilities), as defined under generally accepted accounting principles, in effect from time to time, excluding any allowances for depreciation or amortization or interest on any obligations of the Port incurred in connection with and payable from Gross Revenue.

Optional Redemption means any redemption of Bonds made pursuant to Sections 3.02 through 3.05 hereof.

Original Issue Discount Bonds ~~has the meaning set forth in Exhibit A~~ means Subordinate Lien Parity Bonds that are sold at an initial public offering price of less than 95% of their face value and that are specifically designated as Original Issue Discount Bonds in the Subordinate Lien Resolution authorizing their issuance.

Other Revenue Available and Applied to Debt Service ~~has the meaning set forth in Exhibit A.~~

Outstanding; ~~has the meaning set forth in Exhibit A~~ when used as of a particular time with reference to Bonds, means all Bonds delivered hereunder except:

~~(a) Bonds cancelled by the Registrar or surrendered to the Registrar for cancellation;~~

~~(b) Bonds paid or deemed to have been paid within the meaning of this resolution; and~~

~~————(c)—— Bonds in lieu of or in substitution for which replacement Bonds have been executed by the Port and delivered by the Registrar hereunder.~~

~~Notwithstanding the foregoing, Bank Bonds and the Reimbursement Bond shall remain Outstanding until the applicable Credit Facility Issuer or Liquidity Facility Issuer is paid all amounts due on such Bank Bonds and the Reimbursement Bond.~~

Outstanding First Lien Bonds has the meaning set forth in the recitals hereto.

Outstanding Intermediate Lien Bonds has the meaning set forth in the recitals hereto.

Outstanding Subordinate Lien Bonds has the meaning set forth in the recitals hereto.

Participant means (a) any person for which, from time to time, DTC may effect book-entry transfers and pledges of securities pursuant to the book-entry system referred to in Section 2.05 hereof or (b) any securities broker or dealer, bank, trust company or other person that clears through or maintains a custodial relationship with a person referred to in (a).

Passenger Facility Charge or *PFC* has the meaning set forth in Exhibit A.

~~*Permitted Prior Lien Bonds* means and includes the First Lien Bonds, the Intermediate Lien Parity Bonds, and any other revenue bonds that may be issued in the future at the discretion of the Port payable from Net Revenues available after the payment of the amounts described in paragraphs First, Second, and Third of Section 5.01(b) of this resolution and with a lien on Net Revenues superior to the lien thereon of the Subordinate Lien Parity Bonds.~~

Person means an individual, a corporation, a partnership, limited liability company, an association, a joint stock company, a trust, an unincorporated organization, a governmental body or a political subdivision, a municipal corporation, a public corporation or any other group or organization of individuals.

Port means the Port of Seattle, a municipal corporation of the State of Washington, as now or hereafter constituted, or the corporation, authority, board, body, commission, department or officer succeeding to the principal functions of the Port or to whom the powers vested in the Port shall be given by law.

Port Payment means any payment, other than a termination or other nonscheduled payment, required to be made by or on behalf of the Port under a Derivative Product and which is determined according to a formula set forth in a Derivative Product.

Principal Payment Date means the Maturity Date or Dates and any Redemption Date for the Bonds.

Prior Lien Bonds has the meaning set forth in Exhibit A.

Prior Lien Debt Service (Rate Covenant) has the meaning set forth in Exhibit A.

Purchase Account means the account by that name maintained by the Registrar in accordance with Section 4.04 hereof.

Purchase Date means (a) during the Commercial Paper Mode or the Long Term Mode, the date determined by the Remarketing Agent on the most recent Rate Determination Date as the next date on which a Bond shall be subject to purchase, and (b) during the Daily Mode or the Weekly Mode, any Business Day.

Purchase Price means (a) an amount equal to 100% of the principal amount of any Bond purchased on any Purchase Date, plus, in the case of any purchase of a Bond in the Daily Mode or the Weekly Mode on a day that is not an Interest Payment Date, accrued interest, to the Purchase Date, or (b) an amount equal to 100% of the principal amount of any Bond purchased on a Mandatory Purchase Date.

Qualified Insurance has the meaning set forth in Exhibit A ~~means any non-cancellable municipal bond insurance policy or surety bond issued by any insurance company licensed to conduct an insurance business in any state of the United States (or by a service corporation acting on behalf of one or more such insurance companies) (a) which insurance company or companies, as of the time of issuance of such policy or surety bond, are rated in one of the two highest Rating Categories by one or more of the Rating Agencies for unsecured debt or insurance underwriting or claims paying ability or (b) by issuing its policies causes obligations insured thereby to be rated, as of the time of issuance of such policy or surety bond, in one of the two highest Rating Categories by one or more of the Rating Agencies.~~

Qualified Letter of Credit has the meaning set forth in Exhibit A ~~means any irrevocable letter of credit issued by a financial institution, which institution maintains an office, agency or branch in the United States and as of the time of issuance of such letter of credit, is rated in one of the two highest long-term Rating Categories by one or more of the Rating Agencies.~~

Rate Determination Date means the date on which the interest rate(s) on a Bond (other than a Bank Bond or the Reimbursement Bond) shall be determined, which,

(a) in the case of the Commercial Paper Mode, shall be the first day of an Interest Period;

(b) in the case of the Daily Mode, shall be each Business Day commencing with the first day the Bond becomes subject to the Daily Mode;

(c) in the case of the Weekly Mode, shall be the Business Day prior to the first day the Bond becomes subject to the Weekly Mode, and thereafter, shall be each Tuesday or, if Tuesday is not a Business Day, the next succeeding Business Day;

(d) in the case of the Long Term Mode, shall be a Business Day determined by the Remarketing Agent which shall be at least one Business Day prior to the first day of an Interest Period; and

(e) in the case of the Fixed Mode, shall be a Business Day determined by the Remarketing Agent which shall be at least one Business Day prior to the Mode Change Date.

Rating Agency ~~has the meaning set forth in Exhibit A means Moody's if Moody's is then maintaining a rating on a Series of Bonds; S&P if S&P is then maintaining a rating on a Series of Bonds; and/or Fitch if Fitch is then maintaining a rating on a Series of Bonds and/or another nationally recognized rating agency then maintaining a rating on a Series of Bonds (at the request of the Port).~~

Rating Category means the generic rating categories of a Rating Agency, without regard to any refinement or gradation of such rating category by a numerical modifier or otherwise.

Rating Confirmation Notice means a written notice from any Rating Agency then maintaining a rating with respect to the Bonds confirming that the rating on the Bonds will not be lowered, withdrawn or suspended (other than a withdrawal of a short-term rating upon a change to a Long Term Mode or Fixed Mode) as a result of the action proposed to be taken.

Reciprocal Payment means any payment to be made to, or for the benefit of, the Port under a Derivative Product by the Reciprocal Payor.

Reciprocal Payor ~~has the meaning set forth in Exhibit A means any bank or corporation, partnership or other entity who itself, or whose guarantor, has or at the time the Derivative Product is entered into, at least an "A" rating from each Rating Agency then maintaining a rating on Outstanding Subordinate Lien Parity Bonds, that is a party to a Derivative Product and that is obligated to make one or more Reciprocal Payments thereunder.~~

Record Date means:

- (a) with respect to Bank Bonds, the Reimbursement Bond and Bonds in a Commercial Paper Mode, a Daily Mode or a Weekly Mode, the close of business as of the day (whether or not a Business Day) next preceding each Interest Payment Date; and
- (b) with respect to Bonds in a Long Term Mode or a Fixed Mode, the 15th day (whether or not a Business Day) of the month next preceding each Interest Payment Date.

Redemption Date means the date fixed for redemption of Bonds subject to redemption in any notice of redemption given in accordance with the terms hereof.

Redemption Price means amounts to be paid to redeem the Bonds on the Redemption Date as set forth in Article III hereof.

Registered Owner means the person named as the registered owner of a Bond on the Bond Register. For so long as the Bonds are held by a Securities Depository or its nominee, such Securities Depository shall be deemed to be the Registered Owner.

Released Revenues has the meaning set forth in Exhibit A.

Registrar means the fiscal agency of the State of Washington whose duties include registering and authenticating the Bonds, maintaining the Bond Register, registering the transfer of the Bonds, paying interest on and principal of the Bonds and drawing on any Credit Facility securing Bonds for such purpose and drawing any amounts under any Credit Facility or Liquidity Facility for the purpose of paying the Purchase Price of any Bonds payable pursuant to such Credit Facility or Liquidity Facility.

Reimbursement Agreement means the Reimbursement Agreement between the Port and the Bank selected by the Designated Port Representative and thereafter, any other reimbursement

agreement between the Port and the Credit Facility Issuer, if any, or any Liquidity Facility Issuer, and any and all modifications, alterations, and amendments and supplements thereto.

Reimbursement Bond means the Bond delivered to the Credit Facility Issuer pursuant to Section 5.01(d) hereof and the Reimbursement Agreement.

Remarketing Agent means each remarketing agent, if any, appointed by the Port pursuant to a Remarketing Agreement.

Remarketing Agreement means any agreement of that name between the Port and a Remarketing Agent.

Repair and Renewal Fund means the special fund authorized to be created pursuant to Section 4(B) of the First Lien Master Resolution.

Reserved Lien Revenue Bonds have the meaning set forth in Exhibit A.

Resolution Tender Date means the date on which the Bonds are subject to mandatory purchase to effect amendments to this resolution, pursuant to Section 4.02(e).

Revenue Fund means, collectively, the Port's general fund, airport development fund and any other fund established in the office of the Treasurer of the Port for the receipt of Gross Revenues.

Securities Depository means any clearing agency registered under Section 17A of the Securities Exchange Act of 1934, as amended.

Serial Bonds mean the Bonds maturing on the Serial Maturity Dates after conversion of the Bonds to a Long Term Mode or Fixed Mode, as determined pursuant to Section 3.01.

Serial Maturity Dates mean the dates on which the Serial Bonds mature, as determined pursuant to Section 3.01.

Series Resolution has the meaning set forth in the Exhibit A.

Series 2003C Bonds means, the Port of Seattle Subordinate Lien Revenue Bonds, Series 2003C.

~~*SIFMA Municipal Swap Index* has the meaning set forth in Exhibit A means the Securities Industry and Financial Markets Association Municipal Swap Index as of the most recent date for which such index was published or such other weekly, high grade index comprised of seven day, tax exempt variable rate demand notes produced by Municipal Market Data, Inc., or its successor, or as otherwise designated by the Securities Industry and Financial Markets Association; *provided*, however, that, if such index is no longer produced by Municipal Market Data, Inc. or its successor, then SIFMA Municipal Swap Index shall mean such other reasonably comparable index selected by the Designated Port Representative.~~

Special Facilities means particular facilities financed with the proceeds of Special Revenue Bonds.

Special Record Date means a special date fixed to determine the names and addresses of holders of the Bonds (or Bonds of a Series) in connection with the payment of overdue interest on such Bonds.

Special Revenue Bonds mean any issue or series of revenue bonds, revenue warrants or other revenue obligations of the Port issued to directly or indirectly acquire (by purchase, lease or otherwise), construct, equip, install or improve part or all of particular facilities (together with any revenue obligations issued to refund the foregoing), and which are payable from and secured by the income and revenue from such facilities.

SOFI Index has the meaning set forth in Exhibit A.

~~*S&P* has the meaning set forth in Exhibit A means Standard & Poor's Ratings Services, a Division of The McGraw-Hill Companies, and its successors and assigns, except that if such~~

~~corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then the term S&P shall be deemed to refer to any other nationally recognized securities rating agency (other than Moody's or Fitch) selected by the Designated Port Representative.~~

Subordinate Lien Bond Fund means the Port of Seattle Subordinate Lien Bond Fund, Series 2008, created in the office of the Treasurer of the Port by authority granted in Section 5.01 of this resolution.

Subordinate Lien Parity Bonds mean the Outstanding Subordinate Lien Bonds, including the Bonds, and any Future Subordinate Lien Parity Bonds.

Subordinate Lien Parity Test has the meaning set forth in Exhibit A~~means Available Revenue equal to or greater than 1.5 times Aggregate Annual Debt Service.~~

Subordinate Lien Rate Covenant has the meaning set forth in Exhibit A~~means the covenant of the Port to establish, maintain and collect rentals, tariffs, rates, fees, and charges in the operation of all of its business for as long as any Bonds are Outstanding that will produce Available Revenue in each fiscal year at least equal to the amounts required to be deposited during such fiscal year from Net Revenues into the Subordinate Lien Bond Fund, any other bond fund established or maintained for the benefit of Subordinate Lien Parity Bonds, and any fund established or maintained to pay any Port Payments due with respect to any Derivative Product and any other amounts due to any Credit Facility Issuer, any Liquidity Facility Issuer, to the issuers of credit facilities for any Subordinate Lien Parity Bonds and, to the extent not otherwise provided for in this definition, any Reciprocal Payor, but excluding from each of the foregoing, payments made or to be made from refunding debt and capitalized debt service or other money irrevocably set aside for such payment.~~

Substitution Date means the date on which an alternate Credit Facility or Liquidity Facility becomes effective.

Substitution Tender Date means the Substitution Date.

2003 Subordinate Lien Resolution means Resolution No. 3510, as amended, of the Commission.

Taxable Obligation has the meaning set forth in Exhibit A.

Tax-Exempt Obligation has the meaning set forth in Exhibit A.

Term Bonds mean the Bonds maturing on Term Bond Maturity Dates after conversion of the Bonds to a Long Term Mode or Fixed Mode as determined pursuant to Section 3.01.

Term Maturity Dates mean the dates on which Term Bonds mature, as determined pursuant to Section 3.01.

Treasurer means the Chief Financial Officer of the Port, or any other public officer as may hereafter be designated pursuant to law to have the custody of Port funds.

Underwriter means Morgan Stanley & Co. Incorporated.

Variable Rate Index has the meaning set forth in Exhibit A.

Weekly Mode means the Mode in which the Interest Rate on the Bonds or Bonds of a Series is determined on a weekly basis.

Weekly Rate means the per annum interest rate on Bonds while in the Weekly Mode determined pursuant to Section 2.09.

Section 1.02. Interpretation (Amended).

Section 1.02 of the Original Resolution is hereby amended to read as set forth in this section. Additions and deletions from the Original Resolution are shown as marked text, with additions double underlined and deletions struck:

In this resolution, unless the context otherwise requires:

(a) The terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder” and any similar terms, as used in this resolution, refer to this resolution as a whole and not to any particular article, section, subdivision or clause hereof, and the term “hereafter” shall mean after, and the term “heretofore” shall mean before, the date of this resolution;

~~(b) Words of the masculine gender shall mean and include correlative words of the feminine and neuter genders and words importing the singular number shall mean and include the plural number and vice versa;~~

~~(c)~~—Words importing persons shall include firms, associations, partnerships (including limited partnerships), trusts, corporations, limited liability companies and other legal entities, including public bodies, as well as natural persons;

~~(d)~~ Any headings preceding the text of the several articles and sections of this resolution, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this resolution, nor shall they affect its meaning, construction or effect;

~~(e)~~ All references herein to “articles,” “sections” and other subdivisions or clauses are to the corresponding articles, sections, subdivisions or clauses hereof; and

~~(f)~~ Whenever any consent or direction is required to be given by the Port, such consent or direction shall be deemed given when given by the Designated Port Representative or ~~his or her~~ their designee, respectively, and all references herein to the Designated Port Representative shall be deemed to include references to ~~his or her~~ their designee, as the case may be.

Section 1.03. Purchase of Tendered Bonds (Amended).

Section 4.03 of the Original Resolution is hereby amended to read as set forth in this section. Additions and deletions from the Original Resolution are shown as marked text, with additions double underlined and deletions struck:

(a) *Remarketing of Tendered Bonds.* Unless otherwise instructed by the Port with the consent of the Credit Facility Issuer or Liquidity Facility Issuer (if there is no Credit Facility Issuer), the Remarketing Agent shall use best efforts to remarket Bonds or the Bank Bonds or portions thereof that are subject to the Remarketing Agreement and for which notice of tender has been received pursuant to Section 4.01(b) or which are subject to mandatory tender on a Mandatory Purchase Date (other than a Default Tender Date) up to the Maximum Rate. The terms of any remarketing by the Remarketing Agent shall provide for the payment of the full Purchase Price for tendered Bonds by the purchaser in immediately available funds by 11:30 a.m. ~~12:00 noon~~, New York City time, on the Purchase Date. The Remarketing Agent shall not remarket any Bonds to the Port. The Remarketing Agent shall not sell any Bond as to which a notice of Mode Change Date or notice of redemption has been given by the Registrar and is in effect unless the Remarketing Agent has notified the Person to whom the sale is made of the conversion or redemption. Bank Bonds may not be delivered to new purchasers until the Registrar has received written confirmation by Electronic Means from the Credit Facility Issuer or Liquidity Facility Issuer, as the case may be, to the effect that the “Principal Portion” and the “Interest Portion” as defined in the Liquidity Facility or Credit Facility have been fully reinstated with respect to such Bank Bonds or will be upon the remarketing of the Bonds.

(b) *Purchase of Tendered Bonds.*

(1) Notice. Not later than ~~11:30 a.m.12:00 p.m.~~, New York City time, on any Purchase Date or Mandatory Purchase Date, as the case may be, the Remarketing Agent shall give notice by telephone or Electronic Means to the Registrar of the principal amount of tendered Bonds that were remarketed by the Remarketing Agent and the amount of remarketing proceeds it holds and those that were not remarketed, if any. If fewer than all of the tendered Bonds have been remarketed or if the full proceeds of the remarketing have not been received by ~~11:30 a.m.12 noon~~, New York City time, then the Remarketing Agent shall transfer all proceeds of remarketing, if any, to the Registrar. If the Registrar has not received written confirmation that all tendered Bonds have been remarketed and remarketing proceeds received by Remarketing Agent by ~~11:30 a.m.12:00 p.m.~~, New York City time, then not later than ~~11:45 a.m.12:15 p.m.~~, New York City time, on the Purchase Date or the Mandatory Purchase Date, the Registrar shall give notice to the Port and any direct-pay Credit Facility Issuer or the Liquidity Facility Issuer, if any, by telephone or Electronic Means, specifying the principal amount of all tendered Bonds and drawing for the full Purchase Price of all tendered Bonds. Not later than ~~12:301:00~~ p.m., New York City time, on the Purchase Date or the Mandatory Purchase Date, the Remarketing Agent shall give notice to the Registrar by telephone (promptly confirmed in writing or by Electronic Means) of the names, addresses and taxpayer identification numbers of the purchasers, the denominations of Bonds to be delivered to each purchaser and, if available, payment instructions for regularly scheduled interest payments, or of any changes in any such information previously communicated. Not later than 11:30 a.m., New York City time, on any Purchase Date or Mandatory Purchase Date, as the case may be, the Remarketing Agent shall give notice by telephone or Electronic Means to the

Bank of the principal amount of tendered Bonds that were remarketed by the Remarketing Agent and the amount of remarketing proceeds it holds and those that were not remarketed, if any.

(2) Sources of Payments. Payments on the Purchase Date shall be made in the manner and at the time specified in subsection 4.03(a) above and in this and the following section. If the amounts of remarketing proceeds received by the Remarketing Agent are not sufficient to pay the Purchase Price, the Registrar shall immediately notify the Remarketing Agent, the Port and any direct-pay Credit Facility Issuer or the Liquidity Facility Issuer, if any, of any deficiency with respect to tendered Bonds payable pursuant to such Credit Facility or Liquidity Facility, as applicable (but no later than ~~12:00~~12:30 p.m., New York time). Pursuant to such direct-pay Credit Facility or Liquidity Facility, the Credit Facility Issuer or the Liquidity Facility Issuer shall, following receipt of purchase notices and transfer instructions from the Registrar in the name of the Credit Facility Issuer or the Liquidity Facility Issuer, as applicable, on the Purchase Date, purchase such tendered Bonds by delivering to (or at the direction of) the Registrar for such tendered Bonds the Purchase Price therefor in immediately available funds in an amount equal to such deficiency by 2:00 p.m., New York City time, on the Purchase Date or the Mandatory Purchase Date. If money is received by the Registrar as remarketing proceeds or (in the case of tendered Bonds payable pursuant such a direct pay Credit Facility or Liquidity Facility) from such Credit Facility Issuer or Liquidity Facility Issuer, any such amounts shall be deposited by the Registrar in the Purchase Account to be used solely for the payment of the Purchase Price of tendered Bonds and shall not be commingled with other funds held by the Registrar.

(3) Payments of the Purchase Price. Not later than the close of business on the Purchase Date and upon receipt by the Registrar of 100% of the aggregate Purchase Price of the tendered Bonds, the Purchase Price of such Bonds shall be paid to the Registered Owners thereof. Such

payments shall be made solely from the following sources in the following order of priority by wire transfer of immediately available funds: first from the proceeds of the remarketing of such Bonds, and second, from moneys received from the Credit Facility Issuer or Liquidity Facility Issuer, as the case may be, under such Credit Facility or Liquidity Facility. If the proceeds of Remarketing Bonds are not sufficient to pay the Purchase Price of Bonds and the Issuer of the Credit Facility or Liquidity Facility fails to honor the draw on the Credit Facility or Liquidity Facility to cover such deficiency, the Bonds shall not be purchased and ownership shall not transfer.

Section 1.04. Credit Facility (Amended).

Section 4.05 of the Original Resolution is hereby amended to read as set forth in this section. Additions and deletions from the Original Resolution are shown as marked text, with additions double underlined and deletions struck:

During any Mode (other than the Fixed Mode), while a direct-pay Credit Facility or Liquidity Facility is in effect with respect to the Bonds, on each Purchase Date or Mandatory Purchase Date, the Registrar, by telecopied demand given before 12:00~~12:30~~ p.m., New York time, shall draw funds to pay the interest (not including any interest owed to such Credit Facility Issuer or Liquidity Facility Issuer at the Bank Interest Rate) on and/or principal of and/or the Purchase Price of tendered Bonds (payable pursuant to such direct-pay Credit Facility or Liquidity Facility) in accordance with the terms of the Credit Facility or Liquidity Facility so as to receive funds thereunder by 2:00 p.m., New York City time, on such date an amount, in immediately available funds, sufficient (together with the proceeds of the remarketing of Bonds (received and available to the Registrar prior to the time of drawing or demand under the Credit Facility or Liquidity Facility, as the case may be) in connection with a purchase drawing if the Bonds are then

being remarketed) on such date, to pay the Purchase Price in connection therewith. The Registrar shall deposit amounts received from the Credit Facility Issuer or the Liquidity Facility Issuer to pay the Purchase Price of tendered Bonds (payable pursuant to such Credit Facility or Liquidity Facility) in the Bank Purchase Subaccount pursuant to Section 4.04 hereof.

During any Mode (other than the Fixed Mode), while a direct-pay Credit Facility is in effect, on the Business Day prior to any Interest Payment Date and/or the Business Day prior to any other date on which a payment of principal with respect to the Bonds is due, whether by maturity or redemption in advance of maturity, as the case may be, the Registrar, by telecopied demand given before 3:00 p.m., New York time, shall draw funds to pay interest on and/or principal of the Bonds that are secured by such Credit Facility in accordance with the terms of such Credit Facility so as to receive funds thereunder by 1:00 p.m., New York time, on such Interest Payment Date or date on which a payment of principal with respect to the Bonds is due an amount, in immediately available funds, sufficient to pay all of such interest (not including interest owed to the Credit Facility Issuer at the Bank Interest Rate) and/or principal. The Registrar shall hold such funds separate and apart in trust for the benefit of Registered Owners of such Bonds, and such funds shall not be commingled with any other funds for any other purpose and such funds shall not be reinvested. No such drawing on the Credit Facility may be made for Bank Bonds or for Bonds held by the Port.

Section 1.05. Payment of Bonds (Amended).

Section 5.01(a), (b) and (c) of the Original Resolution is hereby amended to read as set forth in this section. Additions and deletions from the Original Resolution are shown as marked text, with additions double underlined and deletions struck:

(a) Subordinate Lien Bond Fund. A special fund of the Port designated the “Port of

Seattle Subordinate Lien Revenue Bond Fund” (the “Subordinate Lien Bond Fund”) is hereby authorized to be created or maintained in the office of the Treasurer for the purpose of paying and securing the payment of Subordinate Lien Parity Bonds, including without limitation the Bonds and any Bank Bonds. The Subordinate Lien Bond Fund shall be held separate and apart from all other funds and accounts of the Port and shall be a trust fund for the owners of the Subordinate Lien Parity Bonds.

The Port hereby irrevocably obligates and binds itself for as long as any Subordinate Lien Parity Bonds remain Outstanding, or any amount is owed to any Credit Facility Issuer or any Liquidity Facility Issuer in connection with any Subordinate Lien Parity Bonds, to set aside and pay into the Subordinate Lien Bond Fund from Available Revenue or money in the Revenue Fund, on or prior to the respective dates the same become due (and if such payment is made on the due date, such payment shall be made in immediately available funds):

- (1) Such amounts as are required to pay the interest scheduled to become due on Subordinate Lien Parity Bonds Outstanding (including payment of and without duplication amounts required to be paid to Credit Facility Issuers and/or Liquidity Facility Issuers for the payment of interest on Subordinate Lien Parity Bonds Outstanding); and
- (2) Such amounts with respect to Subordinate Lien Parity Bonds Outstanding as are required (A) to pay maturing principal, (B) to make any required sinking fund payments, and (C) to redeem Subordinate Lien Parity Bonds Outstanding in accordance with any mandatory redemption provisions (including payment of and without duplication amounts required to be paid to Credit Facility Issuers and/or Liquidity Facility Issuers for the payment of the purchase price of or principal of

Subordinate Lien Parity Bonds Outstanding).

(b) Priority of Use of Gross Revenue. The Port's Gross Revenue shall be deposited in the Revenue Fund as collected. The Revenue Fund shall be held separate and apart from all other funds and accounts of the Port, and the Gross Revenue deposited therein shall be used only for the following purposes and in the following order of priority:

First, to pay Operating Expenses not paid from other sources;

Second, to make all payments, including sinking fund payments, required to be made into the debt service account(s) within any redemption fund maintained for First Lien Bonds to pay the principal of and interest and premium, if any, on any First Lien Bonds;

Third, to make all payments required to be made into any reserve account(s) maintained for First Lien Bonds to secure the payment of any First Lien Bonds;

Fourth, to make all payments required to be made into any other revenue bond redemption fund and debt service account or reserve account created therein to pay and secure the payment of the principal of, premium, if any, and interest on any revenue bonds or other revenue obligations of the Port having liens upon the Net Revenues or Gross Revenue and the money in the Revenue Fund junior and inferior to the lien thereon for the payment of the principal of, premium, if any, and interest on any First Lien Bonds, but prior to the lien thereon of Intermediate Lien Parity Bonds;

Fifth, to make payments necessary to be paid into any bond fund or debt service account created to pay principal of and interest on Intermediate Lien Parity Bonds, including to reimburse or pay any Credit Facility Issuer or Liquidity Facility Issuer for the payment of principal of and interest on or purchase price of Intermediate Lien Parity Bonds, and, without duplication, to make Port Payments due with respect any Derivative Product on a parity with the

lien of the Intermediate Lien Parity Bonds;

Sixth, to make all payments required to be made into any reserve account securing Intermediate Lien Parity Bonds;

Seventh, to make payments necessary to be paid into any bond fund or debt service account to pay the principal of and interest on Reserved Lien Revenue Bonds, including to reimburse or pay any Credit Facility Issuer or Liquidity Facility Issuer for the payment of principal of and interest on or purchase price of Reserved Lien Revenue Bonds, and, without duplication, to make Port Payments due with respect any Derivative Product on a parity with the lien of the Reserved Lien Revenue Bonds;

Eighth, to make all payments required to be made into any reserve account(s) securing Reserved Lien Revenue Bonds;

Ninth, to make payments necessary to be paid into any bond fund or debt service account created to pay the debt service on Subordinate Lien Parity Bonds, including, but not limited to the Subordinate Lien Bond Fund, if any, to pay the principal of and interest on Subordinate Lien Parity Bonds, including to reimburse or pay any Credit Facility Issuer or Liquidity Facility Issuer for the payment of principal of and interest on or purchase price of Subordinate Lien Parity Bonds, and, without duplication, to make Port Payments due with respect any Derivative Product on a parity with the lien of the Subordinate Lien Parity Bonds Outstanding;

Tenth, to make all payments required to be made into any reserve account(s) securing Subordinate Lien Parity Bonds;

Eleventh, to make all payments required to be made into the Repair and Renewal Fund under the terms of the First Lien Master Resolution to maintain any required balance therein;
and

Twelfth, to retire by redemption or purchase any outstanding revenue bonds or other revenue obligations of the Port as authorized in the various resolutions of the Commission authorizing their issuance or to make necessary additions, betterments, improvements and repairs to or extension and replacements of the Facilities, or any other lawful Port purposes.

(c) *Lien on Gross Revenue Subject to Prior Priorities.* Subordinate Lien Parity Bonds issued pursuant to the Outstanding Subordinate Lien Resolutions and this resolution and the lien thereof created and established hereunder shall be obligations only of the Subordinate Lien Bond Fund, herein authorized to be created. The Subordinate Lien Parity Bonds shall be payable solely from Available Revenue and secured solely by the subordinate lien on Gross Revenue provided herein; *provided, however,* that any series of Subordinate Lien Parity Bonds also may be payable from and secured by a Credit Facility pledged specifically to or provided for that series of Subordinate Lien Parity Bonds.

So long thereafter as any Subordinate Lien Parity Bonds remain Outstanding or any amount is owed to any Credit Facility Issuer or any Liquidity Facility Issuer, the Port hereby irrevocably pledges and obligates and binds itself to set aside and pay into the Subordinate Lien Bond Fund out of Available Revenue, on or prior to the date on which the interest on, premium, if any, or principal of and interest on such Subordinate Lien Parity Bonds shall become due, the amount necessary to pay such interest, premium, or principal and interest coming due on such Subordinate Lien Parity Bonds (and reimbursement obligations to any Credit Facility Issuer or Liquidity Facility Issuer for the payment of principal of and interest on or purchase price on Subordinate Lien Parity Bonds).

Said amounts so pledged to be paid into the Subordinate Lien Bond Fund are hereby declared to be a prior lien and charge upon the Gross Revenue superior to all other charges of

any kind or nature whatsoever except for Operating Expenses and except for the lien on Gross Revenue of the Prior Lien Bonds and except that the amounts so pledged are of equal lien to the liens and charges on Gross Revenue of the Subordinate Lien Parity Bonds Outstanding and to the lien and charge which may hereafter be made to pay and secure the payment of the principal of and interest on any Future Subordinate Lien Parity Bonds.

Subordinate Lien Parity Bonds shall not in any manner or to any extent constitute general obligations of the Port or of the State of Washington, or of any political subdivision of the State of Washington, and no tax revenues of the Port may be used to pay the principal of and interest on the Subordinate Lien Parity Bonds.

~~(a) *Subordinate Lien Bond Fund.* A special fund of the Port designated the “Port of Seattle Subordinate Lien Revenue Bond Fund, Series 2008” (the “Subordinate Lien Bond Fund”) is hereby authorized to be created in the office of the Treasurer of the Port for the purpose of paying and securing the payment of the Bonds. The Subordinate Lien Bond Fund shall be held separate and apart from all other funds and accounts of the Port and shall be a trust fund for the owners of the Bonds.~~

~~The Port hereby irrevocably obligates and binds itself for as long as any Bonds remain Outstanding to set aside and pay into the Subordinate Lien Bond Fund from Available Revenue or money in the Revenue Fund, on or prior to the respective dates the same become due (and if such payment is made on the due date, such payment shall be made in immediately available funds):~~

~~————— (1) ——— Such amounts as are required to pay the interest scheduled to become due on Outstanding Bonds (including payment of and without duplication the Reimbursement Bond and all Bank Bonds); and~~

~~————— (2) ——— Such amounts with respect to Outstanding Bonds as are required (A) to pay maturing principal, (B) to make any required sinking fund payments, and (C) to redeem Outstanding Bonds in accordance with any mandatory redemption provisions (including payment of the Reimbursement Bond and all Bank Bonds).~~

~~(b) ——— *Priority of Use of Gross Revenue.* The Port's Gross Revenue shall be deposited in the Revenue Fund as collected. The Revenue Fund shall be held separate and apart from all other funds and accounts of the Port, and the Gross Revenue deposited therein shall be used only for the following purposes and in the following order of priority:~~

~~First, to pay Operating Expenses not paid from other sources;~~

~~Second, to make all payments, including sinking fund payments, required to be made into the debt service account(s) within any redemption fund maintained for First Lien Bonds to pay the principal of and interest and premium, if any, on any First Lien Bonds;~~

~~Third, to make all payments required to be made into any reserve account(s) maintained for First Lien Bonds to secure the payment of any First Lien Bonds;~~

~~Fourth, to make all payments required to be made into any other revenue bond redemption fund and debt service account and reserve account created therein to pay and secure the payment of the principal of, premium, if any, and interest on any revenue bonds or other revenue obligations of the Port, including without limitation the Intermediate Lien Parity Bonds, having liens upon the Net Revenues and the money in the Revenue Fund junior and inferior to the lien thereon for the payment of the principal of, premium, if any, and interest on any First Lien Bonds, but prior to the lien thereon of Subordinate Lien Parity Bonds;~~

~~Fifth, to make payments necessary to be paid into any bond fund or debt service account created to pay the debt service on Subordinate Lien Parity Bonds, including, but not limited to the~~

~~Subordinate Lien Bond Fund, if any, to pay the principal of and interest on Subordinate Lien Parity Bonds;~~

~~Sixth, to make all payments required to be made into the reserve account(s) securing Subordinate Lien Parity Bonds;~~

~~Seventh, to make all payments required to be made into the Repair and Renewal Fund under the terms of the First Lien Master Resolution to maintain any required balance therein; and~~

~~Eighth, to retire by redemption or purchase any outstanding revenue bonds or other revenue obligations of the Port as authorized in the various resolutions of the Commission authorizing their issuance or to make necessary additions, betterments, improvements and repairs to or extension and replacements of the Facilities, or any other lawful Port purposes.~~

~~(c) — *Lien on Available Revenue.* The Bonds and the lien thereof created and established hereunder shall be obligations only of the Subordinate Lien Bond Fund, herein authorized to be created. The Bonds shall be payable solely from and secured solely by Available Revenue, and by drawings under the Credit Facility; *provided, however*, that any series of Future Subordinate Lien Parity Bonds also may be payable from and secured by a Credit Facility pledged specifically to or provided for that series of Future Subordinate Lien Parity Bonds.~~

~~From and after the time of issuance and delivery of the Bonds and so long thereafter as any of the same remain Outstanding, the Port hereby irrevocably obligates and binds itself to set aside and pay into the Subordinate Lien Bond Fund out of Available Revenue, on or prior to the date on which the interest on, premium, if any, or principal of and interest on the Bonds shall become due, the amount necessary to pay such interest, premium, or principal and interest coming due on the Bonds.~~

~~Said amounts so pledged to be paid into the Subordinate Lien Bond Fund are hereby declared to be a prior lien and charge upon the Gross Revenue superior to all other charges of any kind or nature whatsoever except for Operating Expenses and except for the lien on Gross Revenue of the Permitted Prior Lien Bonds and except that the amounts so pledged are of equal lien to the liens and charges on Gross Revenue of the Outstanding Subordinate Lien Bonds and to the lien and charge which may hereafter be made to pay and secure the payment of the principal of and interest on any Future Subordinate Lien Parity Bonds.~~

~~The Bonds shall not in any manner or to any extent constitute general obligations of the Port or of the State of Washington, or of any political subdivision of the State of Washington, and no tax revenues of the Port may be used to pay the principal of and interest on the Bonds.~~

(d) *Reimbursement Bonds.* The obligations of the Port relating to the Bonds under the Reimbursement Agreement, if any, will be evidenced by a “Reimbursement Bond” to be delivered to the Credit Facility Issuer or Liquidity Issuer. The “Reimbursement Bond” is also secured by the Subordinate Lien Bond Fund (but not by moneys in the Purchase Account or by moneys drawn under a Credit Facility or Liquidity Facility), all in accordance with the Reimbursement Agreement.

Section 1.06. Permitted Prior Lien Bonds and Future Subordinate Lien Parity Bonds (Amended).

Section 5.04 of the Original Resolution is hereby amended to read as set forth in this section. Additions and deletions from the Original Resolution are shown as marked text, with additions double underlined and deletions struck:

(a) *Prior Lien Bonds and Intermediate Lien Parity Bonds.* As provided in the First Lien Master Resolution, the Port reserves the right to issue one or more series of First Lien Bonds for

any purpose of the Port now or hereafter permitted by law, provided that the Port shall comply with the terms and conditions for the issuance of First Lien Bonds set forth in the First Lien Master Resolution. In addition, the Port also reserves the right to issue obligations payable from Net Revenue as described in paragraphs Fourth through Eighth of Section 3(b) of this resolution, and having lien(s) on Gross Revenue or Net Revenues prior to the lien of the Subordinate Lien Parity Bonds, including without limitation Intermediate Lien Parity Bonds (which can be issued on the terms set forth in the Intermediate Lien Master Resolution) and Reserved Lien Revenue Bonds. Such obligations shall be subject to such terms, conditions and covenants set forth in their respective authorizing resolutions.

(b) Future Subordinate Lien Parity Bonds - General Provisions. The Port hereby further covenants and agrees with the Owners of each of the Subordinate Lien Parity Bonds for as long as any of the same remain Outstanding that it will not issue any Future Subordinate Lien Parity Bonds that constitute a charge and lien upon the Gross Revenue equal to the lien thereon of the Subordinate Lien Parity Bonds then Outstanding, unless the following conditions are satisfied.

- (1) Future Subordinate Lien Parity Bonds may be issued only if there is not then existing and continuing a Default under this resolution; provided, however, that Future Subordinate Lien Parity Bonds may be issued for refunding purposes under subsection (c) below if the Default will be cured as a result of the refunding.
- (2) Future Subordinate Lien Parity Bonds shall be issued pursuant to this resolution and authorized by a Series Resolution of the Commission.
- (3) Either of the following conditions (A) or (B) below shall be satisfied.
 - (A) Certificate Required. Unless the Port is able to meet the criteria set forth in (B) below, a certificate shall be filed with the Port demonstrating

fulfillment of the Subordinate Lien Parity Test in each fiscal year during the Certificate Period. As to any Future Subordinate Lien Parity Bonds in the form of Commercial Paper or another Subordinate Lien Parity Bond that may be issued from time to time up to a not-to-exceed principal amount (or up to the available commitment), a certificate may, at the Port's discretion, be delivered based on (1) the not-to-exceed principal amount of the Commercial Paper or other Subordinate Lien Parity Bond authorized to be issued, (2) based on the not-to-exceed principal amount available to be issued (such as the available commitment in connection with a direct purchase Subordinate Lien Parity Bond or as Subordinate Lien Parity Bonds secured by a Credit Facility or Liquidity Facility), or (3) based on the principal amounts actually issued from time to time.

- i. The certificate may be delivered by the Port without a Consultant if the Net Revenue, based upon the financial statements of the Port for the Base Period, corroborated by the certified statements of the Division of Municipal Corporations of the State Auditor's office of the State of Washington, or any successor to the duties thereof, or by an independent certified public accounting firm, is sufficient such that the Subordinate Lien Parity Test will be fulfilled in each fiscal year during the Certificate Period.
- ii. Alternatively, a Consultant may deliver the certificate. In making the computations of Net Revenue for the purpose of certifying compliance with the Subordinate Lien Parity Test, the Consultant

shall use as a basis the Net Revenue for the Base Period. In making such computations the Consultant shall make such adjustments as the Consultant deems reasonable.

(B) No Certificate Required. A certificate shall not be required as a condition to the issuance of Future Subordinate Lien Parity Bonds:

- i. if the Future Subordinate Lien Parity Bonds are being issued for refunding purposes upon compliance with the provisions of subsection (c) of this section; or
- ii. if the Future Subordinate Lien Parity Bonds are being issued to pay Costs of Construction of Facilities for which indebtedness has been issued previously and the principal amount of such indebtedness being issued for completion purposes does not exceed an amount equal to an aggregate of 15% of the principal amount of indebtedness theretofore issued for such Facilities and reasonably allocable to the Facilities to be completed as shown in a written certificate of the Designated Port Representative, and there is delivered a Consultant's certificate stating that the nature and purpose of such Facilities have not materially changed.

(c) Future Subordinate Lien Parity Bonds for Refunding Purposes. The Port may issue Future Subordinate Lien Parity Bonds for refunding purposes, as follows:

- (1) Future Subordinate Lien Parity Bonds may be issued at any time for the purpose of refunding (including by purchase) Subordinate Lien Parity Bonds including amounts to pay principal thereof and redemption premium, if any, and

interest thereon to the date of redemption (or purchase), any deposits to a reserve account or to purchase a Qualified Letter of Credit or Qualified Insurance and the expenses of issuing the Future Subordinate Lien Parity Bonds to purchase or refund the same and of effecting such refunding upon delivery of a certificate as provided in subsection (b)(1)(3)(A) above. Such refunding Future Subordinate Lien Parity Bonds also may be issued without a certificate if Maximum Annual Debt Service after the issuance of such refunding Future Subordinate Lien Parity Bond will not exceed Maximum Annual Debt Service prior to the issuance of such refunding Future Subordinate Lien Parity Bonds.

(2) Future Subordinate Lien Parity Bonds may be issued at any time for the purpose of refunding (including by purchase) any Prior Lien Bonds or Subordinate Lien Parity Bonds including amounts to pay principal thereof and redemption premium, if any, and interest thereon to the date of redemption of such bonds (or purchase), any deposits to a reserve account or to purchase a Qualified Letter of Credit or Qualified Insurance and the expenses of issuing the Future Subordinate Lien Parity Bonds to purchase or refund the same and of effecting such refunding, provided that prior to the issuance of such Future Subordinate Lien Parity Bonds the Port must provide a certificate if required by this section.

(3) Future Subordinate Lien Parity Bonds may be issued for the purpose of refunding (including by purchase) at any time within one year prior to maturity any Prior Lien Bonds or Subordinate Lien Parity Bonds then Outstanding, provided that such bonds are Prior Lien Bonds or Subordinate Lien Parity Bonds, for the payment of which sufficient Net Revenue or other money are not available, without the

requirement of a certificate pursuant to this section.

(d) Liens Subordinate to Subordinate Lien Parity Bonds. Nothing herein contained shall prevent the Port from issuing revenue bonds or other obligations that are a charge upon the Gross Revenue junior or inferior to the payments required by this resolution to be made out of such Gross Revenue to pay and secure the payment of any Subordinate Lien Parity Bonds. Such junior or inferior obligations shall not be subject to acceleration. This prohibition against acceleration shall not be deemed to prohibit the term out of any reimbursement obligation, to prohibit any mandatory tender or other tender provisions or to prohibit the payment of a termination amount with respect to a derivative product.

~~(a) — Permitted Prior Lien Bonds and Intermediate Lien Parity Bonds. As provided in the First Lien Master Resolution, the Port reserves the right to issue one or more series of First Lien Bonds by means of a Series Resolution (as such term is defined and required under the First Lien Master Resolution) for any purpose of the Port now or hereafter permitted by law, provided that the Port shall comply with the terms and conditions for the issuance of First Lien Bonds set forth in the First Lien Master Resolution. In addition, the Port also reserves the right to issue obligations payable from Net Revenue available after payment of the amounts described in paragraphs First through Third of Section 5.01(b) of this resolution, and having lien(s) on such Net Revenues prior to the lien of the Bonds and the Subordinate Lien Parity Bonds, including without limitation Intermediate Lien Parity Bonds (which can be issued on the terms set forth in the Intermediate Lien Master Resolution). Such obligations shall be subject to such terms, conditions and covenants set forth in their respective authorizing resolutions.~~

~~(b) — Future Subordinate Lien Parity Bonds — General Provisions. The Port hereby further covenants and agrees with the Owners of each of the Bonds for as long as any of the same~~

~~remain Outstanding that it will not issue any Future Subordinate Lien Parity Bonds that constitute a charge and lien upon the Available Revenue equal to the lien thereon of the Bonds, unless the following conditions are satisfied.~~

~~(1) — Future Subordinate Lien Parity Bonds may be issued only if there is not then existing and continuing a Default under this resolution; provided, however, that Future Subordinate Lien Parity Bonds may be issued for refunding purposes under subsection (c) below if the Default will be cured as a result of the refunding.~~

~~(2) — Future Subordinate Lien Parity Bonds shall be authorized by a resolution of the Commission.~~

~~(3) — Each resolution authorizing Future Subordinate Lien Parity Bonds shall include the operating covenants set forth in Section 5.07 of this resolution.~~

~~—— (4) — either of the following conditions (A) or (B) below shall be satisfied.~~

~~—— (A) — Certificate Required. Unless the Port is able to meet the criteria set forth in (B) below, a certificate shall be filed with the Port (as described in this subsection (b) or subsection (c) below) demonstrating fulfillment of the Subordinate Lien Parity Test, (i) commencing with the first full fiscal year following the earlier of (x) the Date of Commercial Operation of the Facilities to be financed with the proceeds of the Future Subordinate Lien Parity Bonds or (y) the date on which any portion of interest on the Future Subordinate Lien Parity Bonds then being issued no longer will be paid from the proceeds of such bonds, and (ii) for the following two fiscal years.~~

~~—— (B) — No Certificate Required. A certificate shall not be required as a condition to the issuance of Future Subordinate Lien Parity Bonds:~~

~~————— (i) ——— if the Future Subordinate Lien Parity Bonds are being issued for refunding purposes upon compliance with the provisions of subsection (c) of this section; or~~

~~————— (ii) ——— if the Future Subordinate Lien Parity Bonds are being issued to pay Costs of Construction of Facilities for which indebtedness has been issued previously and the principal amount of such indebtedness being issued for completion purposes does not exceed an amount equal to an aggregate of 15% of the principal amount of indebtedness theretofore issued for such Facilities and reasonably allocable to the Facilities to be completed as shown in a written certificate of the Designated Port Representative, and there is delivered a Consultant's certificate stating that the nature and purpose of such Facilities have not materially changed.~~

~~A certificate may be delivered by the Port without a Consultant if the Available Revenue, based upon the financial statements of the Port for the Base Period, corroborated by the certified statements of the Division of Municipal Corporations of the State Auditor's office of the State of Washington, or any successor to the duties thereof, or by an independent certified public accounting firm for the Base Period, is sufficient such that the Subordinate Lien Parity Test will be fulfilled commencing with the first full fiscal year following the earlier of (x) the date of Commercial Operation of the Facilities to be financed with the proceeds of the Future Subordinate Lien Parity Bonds as reasonably estimated by the Port, or (y) the date on which any portion of interest on the Future Subordinate Lien Parity Bonds then being issued will not be paid from the proceeds of such Future Subordinate Lien Parity Bonds and for the following two fiscal years. Except as provided in the foregoing paragraphs, compliance with the coverage requirements of this Section 5.04 shall be demonstrated conclusively by a certificate of a Consultant.~~

~~In making the computations of Available Revenue for the purpose of certifying compliance with the Subordinate Lien Parity Test, the Consultant shall use as a basis the Available Revenue~~

for the Base Period. In making such computations the Consultant shall make such adjustments as he or she deems reasonable.

~~(c) — *Future Subordinate Lien Parity Bonds For Refunding Purposes.* The Port may issue Future Subordinate Lien Parity Bonds for refunding purposes, as follows:~~

~~—— (1) — Future Subordinate Lien Parity Bonds may be issued at any time for the purpose of refunding (including by purchase) Subordinate Lien Parity Bonds including amounts to pay principal thereof and redemption premium, if any, and interest thereon to the date of redemption (or purchase), any deposits to a reserve account or to purchase a Qualified Letter of Credit or Qualified Insurance and the expenses of issuing the Future Subordinate Lien Parity Bonds to purchase or refund the same and of effecting such refunding upon delivery of a certificate as provided in subsection (b)(1) above. Such refunding Future Subordinate Lien Parity Bonds also may be issued without a certificate if the Maximum Annual Debt Service on all Subordinate Lien Parity Bonds to be Outstanding after the issuance of the refunding Future Subordinate Lien Parity Bonds shall not be greater than the Maximum Annual Debt Service on the bonds to be refunded were such refunding not to occur.~~

~~—— (2) — Future Subordinate Lien Parity Bonds may be issued at any time for the purpose of refunding (including by purchase) any other bonds of the Port having a lien on Available Revenue on a parity with or prior to the lien of the Bonds, provided that such bonds are Permitted Prior Lien Indebtedness or Subordinate Lien Parity Bonds, including amounts to pay principal thereof and redemption premium, if any, and interest thereon to the date of redemption of such bonds (or purchase), any deposits to a reserve account or to purchase a Qualified Letter of Credit or Qualified Insurance and the expenses of issuing the Future Subordinate Lien Parity Bonds to purchase or refund the same and of effecting such refunding; provided, however, that~~

~~prior to the issuance of such Future Subordinate Lien Parity Bonds the Port must provide a certificate if required by this section.~~

~~(3) Future Subordinate Lien Parity Bonds may be issued for the purpose of refunding (including by purchase) at any time within one year prior to maturity any bonds of the Port having a lien on Available Revenue on a parity with or prior to the lien of the Bonds, provided that such bonds are Permitted Prior Lien Indebtedness or Subordinate Lien Parity Bonds, for the payment of which sufficient Available Revenue or other money are not available, without the requirement of a certificate pursuant to this section.~~

~~(d) *Liens Subordinate to Subordinate Lien Parity Bonds.* Nothing herein contained shall prevent the Port from issuing revenue bonds or other obligations which are a charge upon the Available Revenue junior or inferior to the payments required by this resolution to be made out of such Available Revenue to pay and secure the payment of any Subordinate Lien Parity Bonds. Such junior or inferior obligations shall not be subject to acceleration. This prohibition against acceleration shall not be deemed to prohibit mandatory tender or other tender provisions with respect to variable rate obligations.~~

Section 1.07. Covenants (Amended).

Section 5.07 of the Original Resolution is hereby amended to read as set forth in this section. Additions and deletions from the Original Resolution are shown as marked text, with additions double underlined and deletions struck:

The Port hereby makes the following covenants and agrees with the owners and holders of each of the Subordinate Lien Parity Bonds for as long as any of the same remain Outstanding.

(a) *Subordinate Lien Rate Covenant.* The Port will at all times establish, maintain and collect rentals, tariffs, rates, fees, and charges in the operation of all of its business for as long

as any Subordinate Lien Parity Bonds are Outstanding or any Credit Facility or any Liquidity Facility is in effect that will produce Net Revenue in each fiscal year at least equal to the amounts required to meet the Subordinate Lien Rate Covenant. If the Net Revenue in any fiscal year is less than required to meet the Subordinate Lien Rate Covenant, then the Port will post a notice to EMMA within 60 days after completion of the financial statement audit for the fiscal year (1) showing the deficiency and (2) providing a timeframe for development by the Port of a written plan to address the deficiency.

The Port will prepare a written plan to revise schedules of rentals, tariffs, rates, fees and/or charges, reduce operating costs, modify the manner of operating one or more Facilities, or take other steps to meet the Subordinate Lien Rate Covenant in the next fiscal year, and may amend the Plan as necessary to effectuate implementation. If the Commission has taken the steps set forth in the written plan and the Net Revenue in the fiscal year in which adjustments under the plan are made nevertheless is not sufficient to meet the Subordinate Lien Rate Covenant, there shall be no default under this Section 5(a) during such fiscal year, unless the Port fails to meet the Subordinate Lien Rate Covenant for three consecutive fiscal years including the fiscal year that was the subject of the notice of deficiency.

(b) *Performance of Covenants.* The Port will duly and punctually pay or cause to be paid out of the Subordinate Lien Bond Fund the principal of and interest on the Subordinate Lien Parity Bonds at the times and places as provided in this resolution and in said Subordinate Lien Parity Bonds provided and will at all times faithfully perform and observe any and all covenants, undertakings and provisions contained in this resolution and in the Subordinate Lien Parity Bonds.

(c) *Maintenance of Facilities.* The Port will at all times keep and maintain or cause to be kept or maintained all of the Facilities in good repair, working order and condition and will

at all times operate or cause to be operated the same and the business or businesses in connection therewith in an efficient manner and at a reasonable cost.

(d) *Sale or Condemnation of Projects.* In the event that any Project or portion thereof is sold by the Port or is condemned pursuant to the power of eminent domain, the Port will apply the net proceeds of such sale or condemnation to other Facilities or to the retirement of Prior Lien Bonds or Subordinate Lien Parity Bonds Outstanding.

(e) *Insurance of Facilities.* The Port will keep or arrange to keep all Facilities insured, if such insurance is obtainable at reasonable rates and upon reasonable conditions, against such risks, in such amounts, and with such deductibles as the Commission or the Designated Port Representative shall deem necessary.

(f) *Insurance against Port Liability.* The Port will at all times keep or arrange to keep in full force and effect policies of public liability and property damage insurance which will protect the Port against anyone claiming damages of any kind or nature, if such insurance is obtainable at reasonable rates and upon reasonable conditions, in such amounts and with such deductibles as the Commission or the Designated Port Representative shall deem necessary.

(g) *Maintenance of Books and Records.* The Port will keep and maintain proper books of account and accurate records of all of its revenue, including tax receipts, received from any source whatsoever, and of all costs of administration and maintenance and operation of all of its business that are in accordance with generally accepted accounting principles as in effect from time to time. On or before 120 days after each fiscal year the Port will prepare or cause to be prepared an operating statement of all of the business of the Port for such preceding fiscal year. Each such annual statement shall contain a statement in detail of the Gross Revenue, tax receipts, expenses of administration, expenses of normal operation, expenses of normal and extraordinary

maintenance and repair, and expenditures for capital purposes of the Port for such fiscal year and shall contain a statement as of the end of such year showing the status of all funds and accounts of the Port pertaining to the operation of its business and the status of all of the funds and accounts created by various resolutions of the Commission authorizing the issuance of outstanding bonds and other obligations payable from the Gross Revenue. Copies of such statements shall be placed on file in the main office of the Port and shall be open to inspection at any reasonable time by the owners of Subordinate Lien Parity Bonds.

~~The Port hereby makes the following covenants and agrees with the owners and holders of each of the Bonds for as long as any of the same remain Outstanding.~~

~~(a) — *Subordinate Lien Rate Covenant.* The Port will at all times establish, maintain and collect rentals, tariffs, rates, fees, and charges in the operation of all of its business for as long as any Bonds are Outstanding that will produce Available Revenue in each fiscal year at least equal to the amounts required to be deposited during such fiscal year from Net Revenues into the Subordinate Lien Bond Fund, any other bond fund established or maintained for the benefit of Subordinate Lien Parity Bonds and to any fund established or maintained to pay any Port Payments due with respect to any Derivative Product and any other amounts due to the Credit Facility Issuer, if any, or Liquidity Facility Issuer, if any, and to the issuers of credit facilities or liquidity facilities for any Subordinate Lien Parity Bonds and, to the extent not otherwise provided for, to any Reciprocal Payor, but excluding from each of the foregoing, payments made or to be made from refunding debt and capitalized debt service or other money irrevocably set aside for such payment.~~

~~If the Available Revenue in any fiscal year is less than required to fulfill the Subordinate Lien Rate Covenant, then the Port will retain a Consultant to make recommendations as to operations and the revision of schedules of rentals, tariffs, rates, fees and charges; and upon~~

~~receiving such recommendations or giving reasonable opportunity for such recommendations to be made, the Commission, on the basis of such recommendations and other available information, will establish rentals, tariffs, rates, fees and charges for services and operations which will be necessary to meet the Subordinate Lien Rate Covenant in the fiscal year during which such adjustments are made. If the Commission has taken the steps set forth in this paragraph and the Available Revenue in the fiscal year in which adjustments are made nevertheless is not sufficient to meet the Subordinate Lien Rate Covenant, there shall be no default under this Section 5.05(a) during such fiscal year, unless the Port fails to meet the Subordinate Lien Rate Covenant for two consecutive fiscal years.~~

~~(b) — *Performance of Covenants.* The Port will duly and punctually pay or cause to be paid out of the Subordinate Lien Bond Fund the principal of and interest on the Bonds at the times and places as provided in this resolution and in said Bonds provided and will at all times faithfully perform and observe any and all covenants, undertakings and provisions contained in this resolution and in the Bonds.~~

~~(c) — *Maintenance of Facilities.* The Port will at all times keep and maintain or cause to be kept or maintained all of the Facilities in good repair, working order and condition and will at all times operate or cause to be operated the same and the business or businesses in connection therewith in an efficient manner and at a reasonable cost.~~

~~(d) — *Sale or Condemnation of Projects.* In the event that any Project or portion thereof is sold by the Port or is condemned pursuant to the power of eminent domain, the Port will apply the net proceeds of such sale or condemnation to other Facilities or to the retirement of Permitted Prior Lien Bonds or Subordinate Lien Parity Bonds then Outstanding.~~

~~(e) — *Insurance of Facilities.* The Port will keep or arrange to keep all Facilities insured, if such insurance is obtainable at reasonable rates and upon reasonable conditions, against such risks, in such amounts, and with such deductibles as the Commission or the Designated Port Representative shall deem necessary.~~

~~(f) — *Insurance Against Port Liability.* The Port will at all times keep or arrange to keep in full force and effect policies of public liability and property damage insurance which will protect the Port against anyone claiming damages of any kind or nature, if such insurance is obtainable at reasonable rates and upon reasonable conditions, in such amounts and with such deductibles as the Commission or the Designated Port Representative shall deem necessary.~~

~~(g) — *Maintenance of Books and Records.* The Port will keep and maintain proper books of account and accurate records of all of its revenue, including tax receipts, received from any source whatsoever, and of all costs of administration and maintenance and operation of all of its business that are in accordance with generally accepted accounting principles as in effect from time to time. On or before 120 days after each fiscal year the Port will prepare or cause to be prepared an operating statement of all of the business of the Port for such preceding fiscal year. Each such annual statement shall contain a statement in detail of the Gross Revenue, tax receipts, expenses of administration, expenses of normal operation, expenses of normal and extraordinary maintenance and repair, and expenditures for capital purposes of the Port for such fiscal year and shall contain a statement as of the end of such year showing the status of all funds and accounts of the Port pertaining to the operation of its business and the status of all of the funds and accounts created by various resolutions of the Commission authorizing the issuance of outstanding bonds and other obligations payable from the Gross Revenue. Copies of such statements shall be placed~~

~~on file in the main office of the Port and shall be open to inspection at any reasonable time by the owners of Subordinate Lien Bonds.~~

Section 1.08. Derivative Products (Amended).

Section 5.08 of the Original Resolution is hereby amended to read as set forth in this section. Additions and deletions from the Original Resolution are shown as marked text, with additions double underlined and deletions struck:

The following shall be conditions precedent to the delivery of any Derivative Product on a parity with Subordinate Lien Parity Bonds:

(a) *General Parity Tests.* The Derivative Product must satisfy the requirements for Future Subordinate Lien Parity Bonds described in Section 4(b) of this resolution.

(b) *Opinion of Bond Counsel.* The Port shall obtain an opinion of its Bond Counsel on the due authorization and execution of such Derivative Product opining that the action proposed to be taken by the Port is authorized or permitted by this resolution and by Washington law or the applicable provisions of any resolution authorizing Future Subordinate Lien Parity Bonds and is not prohibited by the resolutions that authorized the issuance of the Subordinate Lien Parity Bonds then Outstanding, as amended or supplemented and will not adversely affect the exclusion from gross income for federal income tax purposes of the interest on any Subordinate Lien Parity Bonds then Outstanding.

(c) *Payments.* Each Derivative Product shall set forth the manner in which the Port Payments and Reciprocal Payments are to be calculated and a schedule of Derivative Payment Dates.

(d) *Supplemental Agreements to Govern Derivative Products.* Prior to entering into a Derivative Product, the Commission shall adopt a resolution, which shall:

- (1) create and establish an account to be entitled the “Derivative Product Account” or provide for some other way to account for the use of a Derivative Product; establish general provisions for the retention of Available Revenues in amounts sufficient to make, when due, Port Payments;
- (2) establish general provisions for the rights of providers of Derivative Products or Derivative Facilities; and
- (3) set forth such other matters as the Port deems necessary or desirable in connection with the management of Derivative Products as are not clearly inconsistent with the provisions of this resolution.

Except as may be otherwise provided in the resolution establishing a Derivative Product Account, additional Subordinate Lien Parity Bonds may be delivered in connection with any Derivative Product. Any termination payments under Derivative Products shall be subordinate to Subordinate Lien Parity Bonds.

~~The following shall be conditions precedent to the use of any Derivative Product on a parity with Subordinate Lien Parity Bonds:~~

~~(a) — *General Parity Tests.* The Derivative Product must satisfy the requirements for Future Subordinate Lien Parity Bonds described in Section 5.04 of this resolution.~~

~~(b) — *Opinion of Bond Counsel.* The Port shall obtain an opinion of its Bond Counsel on the due authorization and execution of such Derivative Product opining that the action proposed to be taken by the Port is authorized or permitted by this resolution and by Washington law or the applicable provisions of any resolution authorizing Future Subordinate Lien Parity Bonds and is not prohibited by the resolutions that authorized the issuance of the Outstanding Subordinate Lien Bonds, as amended or supplemented and will not adversely affect the exclusion from gross income~~

~~for federal income tax purposes of the interest on any Subordinate Lien Parity Bonds then Outstanding.~~

~~(c) — *Payments.* Each Derivative Product shall set forth the manner in which the Port Payments and Reciprocal Payments are to be calculated and a schedule of Derivative Payment Dates.~~

~~(d) — *Supplemental Agreements to Govern Derivative Products.* Prior to entering into a Derivative Product, the Commission shall adopt a resolution, which shall:~~

~~(1) — create and establish an account to be entitled the “Derivative Product Account” or provide for some other way to account for the use of a Derivative Product; establish general provisions for the retention of Net Revenues in amounts sufficient to make, when due, Port Payments;~~

~~(2) — establish general provisions for the rights of providers of Derivative Products or Derivative Facilities; and~~

~~(3) — set forth such other matters as the Port deems necessary or desirable in connection with the management of Derivative Products as are not clearly inconsistent with the provisions of this resolution.~~

~~Except as may be otherwise provided in the resolution establishing a Derivative Product Account, additional Subordinate Lien Parity Bonds may be delivered in connection with any Derivative Product. This resolution may be amended in the future to reflect the lien position and priority of any payments made in connection with a Derivative Product; *provided, however,* that termination payments under Derivative Products shall be subordinate to Subordinate Lien Parity Bonds.~~

Section 1.09. Defaults and Remedies (Amended).

Section 5.10 of the Original Resolution is hereby amended to read as set forth in this section. Additions and deletions from the Original Resolution are shown as marked text, with additions double underlined and deletions struck:

The Port hereby finds and determines that the failure or refusal of the Port or any of its officers to perform the covenants and obligations of this resolution will endanger the operation of the Facilities and the application of Gross Revenue and such other money, funds and securities to the purposes herein set forth. Any one or more of the following shall constitute a Default under this resolution:

- (a) The Port shall fail to make payment of the principal of any Subordinate Lien Parity Bonds, including without limitation any Bank Bond, when the same shall become due and payable whether by maturity or scheduled redemption prior to maturity or other required repayment date;
- (b) The Port shall fail to make payments of any installment of interest on any Subordinate Lien Parity Bonds, including without limitation any Bank Bond, when the same shall become due and payable; or
- (c) The Port shall default in the observance or performance of any other covenants, conditions, or agreements on the part of the Port contained in this resolution, and such default shall have continued for a period of 90 days; however, if such default cannot be reasonably cured within such 90-day period, the Port shall have such additional time (not to exceed a total cure period of 180 days) as reasonably necessary to cure the default provided that the Port commences cure within 90 days and diligently pursues cure thereafter.

Upon the occurrence and continuation of a Default, a Credit Facility Issuer of a Credit Facility that supports the payment of principal of and interest on Subordinate Lien Parity Bonds shall be entitled to exercise, on behalf of such Subordinate Lien Parity Bondowners, any of the remedies provided under this section and, such Credit Facility Issuer shall be the only party entitled to exercise the remedies with respect to such Subordinate Lien Parity Bonds provided under this section. The rights granted to any such Credit Facility Issuer shall be disregarded and be of no effect if the Credit Facility Issuer has failed to honor a properly presented and conforming drawing on its Credit Facility. There shall be no waiver of a Default hereunder with respect to the Subordinate Lien Parity Bonds unless the Registrar shall have received from the Credit Facility Issuer a written rescission of its default notice and shall be assured that the Credit Facility or Liquidity Facility, as the case may be, has been fully reinstated.

There may not be any acceleration of the Subordinate Lien Parity Bonds. This prohibition against acceleration shall not be deemed to prohibit the term out of any Bank Bond or other reimbursement obligation to any Credit Facility Issuer or Liquidity Facility Issuer, to prohibit any mandatory tender or other tender provisions or to prohibit the payment of a termination amount with respect to a Derivative Product.

Upon the occurrence of a Default and so long as such Default shall not have been remedied and subject to the foregoing paragraph, a Bondowners' Trustee may be appointed for the Subordinate Lien Parity Bonds by the owners of 51% in principal amount of the Subordinate Lien Parity Bonds Outstanding by an instrument or concurrent instruments in writing signed and acknowledged by such Subordinate Lien Parity Bondowners or by their attorneys-in-fact duly authorized and delivered to such Bondowners' Trustee, notification thereof being given to the Port. Any Bondowners' Trustee appointed under the provisions of this Section shall be a bank

or trust company organized under the laws of a state or a national banking association. The fees and expenses of a Bondowners' Trustee shall be borne by the Bondowners and not by the Port. The bank or trust company acting as a Bondowners' Trustee may be removed at any time, and a successor Bondowners' Trustee may be appointed by the owners of 51% in principal amount of the Subordinate Lien Parity Bonds Outstanding, by an instrument or concurrent instruments in writing signed and acknowledged by such Subordinate Lien Parity Bondowners or by their attorneys-in-fact duly authorized.

The Bondowners' Trustee appointed in the manner herein provided, and each successor thereto, is hereby declared to be a trustee for the owners of all the Subordinate Lien Parity Bonds for which such appointment is made and is empowered to exercise all the rights and powers herein conferred on the Bondowners' Trustee, subject to the rights herein conferred on Credit Facility Issuers.

A Bondowners' Trustee may upon the happening of a Default and during the continuation thereof, take such steps and institute such suits, actions or other proceedings in its own name, or as trustee, all as it may deem appropriate for the protection and enforcement of the rights of Subordinate Lien Parity Bondowners to collect any amounts due and owing the Port, or to obtain other appropriate relief, and may enforce the specific performance of any covenant, agreement or condition contained in this resolution.

Any action, suit or other proceedings instituted by a Bondowners' Trustee hereunder shall be brought in its name as trustee for the Subordinate Lien Parity Bondowners and all such rights of action upon or under any of the Subordinate Lien Parity Bonds or the provisions of this resolution may be enforced by a Bondowners' Trustee without the possession of any of said Subordinate Lien Parity Bonds, and without the production of the same at any trial or proceedings

relating thereto except where otherwise required by law, and the respective owners of said Subordinate Lien Parity Bonds by taking and holding the same, shall be conclusively deemed irrevocably to appoint a Bondowners' Trustee the true and lawful trustee to the respective owners of said Subordinate Lien Parity Bonds, with authority to institute any such action, suit or proceeding; to receive as trustee and deposit in trust any sums that become distributable on account of said Subordinate Lien Parity Bonds; to execute any paper or documents for the receipt of such moneys, and to do all acts with respect thereto that the Subordinate Lien Parity Bondowner might have done in person. Nothing herein contained shall be deemed to authorize or empower any Bondowners' Trustee to consent to accept or adopt, on behalf of any owner of said Subordinate Lien Parity Bonds, any plan of reorganization or adjustment affecting the said Subordinate Lien Parity Bonds or any right of any owner thereof, or to authorize or empower the Bondowners' Trustee to vote the claims of the owners thereof in any receivership, insolvency, liquidation, bankruptcy, reorganization or other proceeding to which the Port shall be a party.

No owner of any one or more of the Subordinate Lien Parity Bonds shall have any right to institute any action, suit or proceedings at law or in equity for the enforcement of the same, unless Default shall have happened and be continuing, and unless no Bondowners' Trustee has been appointed as herein provided, but any remedy herein authorized to be exercised by a Bondowners' Trustee may be exercised individually by any Subordinate Lien Parity Bondowner, in the owner's own name and on the owner's own behalf or for the benefit of all Subordinate Lien Parity Bondowners, in the event no Bondowners' Trustee has been appointed, or with the consent of the Bondowners' Trustee if such Bondowners' Trustee has been appointed; provided however, that nothing in this resolution or in the Subordinate Lien Parity Bonds shall affect or impair the obligation of the Port which is absolute and unconditional, to pay from Available Revenue the

principal of and interest on said Subordinate Lien Parity Bonds to the respective owners thereof at the respective due dates therein specified, or affect or impair the right of action, which is absolute and unconditional, of such owners to enforce such payments.

The remedies herein conferred upon or reserved to the owners of the Subordinate Lien Parity Bonds and to a Bondowners' Trustee are not intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. The privileges herein granted shall be exercised from time to time and continued so long as and as often as the occasion therefor may arise and no waiver of any default hereunder, whether by a Bondowners' Trustee or by the owners of Bonds, shall extend to or shall affect any subsequent default or shall impair any rights or remedies consequent thereon. No delay or omission of the Subordinate Lien Parity Bondowners or of a Bondowners' Trustee to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein.

Upon any such waiver, such Default shall cease to exist, and any Default arising therefrom shall be deemed to have been cured, for every purpose of this resolution; but no such waiver shall extend to any subsequent or other default or impair any right consequent thereon.

The Registered Owner of each of the Subordinate Lien Parity Bonds or a trustee for the Registered Owners of any of the Subordinate Lien Parity Bonds may by mandamus or other appropriate proceeding require the transfer and payment of money as directed in this resolution.

~~The Port hereby finds and determines that the failure or refusal of the Port or any of its officers to perform the covenants and obligations of this resolution will endanger the operation of the Facilities and the application of Gross Revenue and such other money, funds and securities to~~

~~the purposes herein set forth. Any one or more of the following shall constitute a Default under this resolution:~~

~~(a) — The Port shall fail to make payment of the principal of any Bonds when the same shall become due and payable whether by maturity or scheduled redemption prior to maturity;~~

~~(b) — The Port shall fail to make payments of any installment of interest on any Bonds when the same shall become due and payable;~~

~~(c) — The Port shall default in the observance or performance of any other covenants, conditions, or agreements on the part of the Port contained in this resolution, and such default shall have continued for a period of 90 days.~~

~~— Upon the occurrence and continuation of a Default, for as long as the Credit Facility Issuer is not in default of its obligations under the Credit Facility, the Credit Facility Issuer shall be entitled to exercise, on behalf of the Bondowners, any of the remedies provided under this section and, the Credit Facility Issuer shall be the only party entitled to exercise the remedies provided under this section. There shall be no waiver of a Default hereunder with respect to the Bonds unless the Registrar shall have received from the Credit Facility Issuer a written rescission of its default notice and shall be assured that the Credit Facility or Liquidity Facility, as the case may be, has been fully reinstated.~~

~~There may not be any acceleration of the Bonds.~~

~~Upon the occurrence of a Default and so long as such Default shall not have been remedied and subject to the foregoing paragraph, a Bondowners' Trustee may be appointed for the Bonds by the owners of 51% in principal amount of the Outstanding Bonds by an instrument or concurrent instruments in writing signed and acknowledged by such Bondowners or by their attorneys in fact duly authorized and delivered to such Bondowners' Trustee, notification thereof being given to~~

~~the Port. Any Bondowners' Trustee appointed under the provisions of this Section shall be a bank or trust company organized under the laws of a state or a national banking association. The fees and expenses of a Bondowners' Trustee shall be borne by the Bondowners and not by the Port. The bank or trust company acting as a Bondowners' Trustee may be removed at any time, and a successor Bondowners' Trustee may be appointed by the owners of 51% in principal amount of the Bonds Outstanding, by an instrument or concurrent instruments in writing signed and acknowledged by such Bondowners or by their attorneys in fact duly authorized.~~

~~The Bondowners' Trustee appointed in the manner herein provided, and each successor thereto, is hereby declared to be a trustee for the owners of all the Bonds for which such appointment is made and is empowered to exercise all the rights and powers herein conferred on the Bondowners' Trustee.~~

~~A Bondowners' Trustee may upon the happening of a Default and during the continuation thereof, take such steps and institute such suits, actions or other proceedings in its own name, or as trustee, all as it may deem appropriate for the protection and enforcement of the rights of Bondowners to collect any amounts due and owing the Port, or to obtain other appropriate relief, and may enforce the specific performance of any covenant, agreement or condition contained in this resolution.~~

~~Any action, suit or other proceedings instituted by a Bondowners' Trustee hereunder shall be brought in its name as trustee for the Bondowners and all such rights of action upon or under any of the Bonds or the provisions of this resolution may be enforced by a Bondowners' Trustee without the possession of any of said Bonds, and without the production of the same at any trial or proceedings relating thereto except where otherwise required by law, and the respective owners of said Bonds by taking and holding the same, shall be conclusively deemed irrevocably to appoint a~~

~~Bondowners' Trustee the true and lawful trustee to the respective owners of said Bonds, with authority to institute any such action, suit or proceeding; to receive as trustee and deposit in trust any sums that become distributable on account of said Bonds; to execute any paper or documents for the receipt of such moneys, and to do all acts with respect thereto that the Bondowner himself might have done in person. Nothing herein contained shall be deemed to authorize or empower any Bondowners' Trustee to consent to accept or adopt, on behalf of any owner of said Bonds, any plan of reorganization or adjustment affecting the said Bonds or any right of any owner thereof, or to authorize or empower the Bondowners' Trustee to vote the claims of the owners thereof in any receivership, insolvency, liquidation, bankruptcy, reorganization or other proceeding to which the Port shall be a party.~~

~~No owner of any one or more of the Bonds shall have any right to institute any action, suit or proceedings at law or in equity for the enforcement of the same, unless Default shall have happened and be continuing, and unless no Bondowners' Trustee has been appointed as herein provided, but any remedy herein authorized to be exercised by a Bondowners' Trustee may be exercised individually by any Bondowner, in his own name and on his own behalf or for the benefit of all Bondowners, in the event no Bondowners' Trustee has been appointed, or with the consent of the Bondowners' Trustee if such Bondowners' Trustee has been appointed; provided however, that nothing in this resolution or in the Bonds shall affect or impair the obligation of the Port which is absolute and unconditional, to pay from Available Revenue the principal of and interest on said Bonds to the respective owners thereof at the respective due dates therein specified, or affect or impair the right of action, which is absolute and unconditional, of such owners to enforce such payments.~~

~~The remedies herein conferred upon or reserved to the owners of the Bonds and to a Bondowners' Trustee are not intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. The privileges herein granted shall be exercised from time to time and continued so long as and as often as the occasion therefor may arise and no waiver of any default hereunder, whether by a Bondowners' Trustee or by the owners of Bonds, shall extend to or shall affect any subsequent default or shall impair any rights or remedies consequent thereon. No delay or omission of the Bondowners or of a Bondowners' Trustee to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein.~~

~~Upon any such waiver, such Default shall cease to exist, and any Default arising therefrom shall be deemed to have been cured, for every purpose of this resolution; but no such waiver shall extend to any subsequent or other default or impair any right consequent thereon.~~

Section 1.10. Amendments Without Registered Owners Consent (Amended).

Section 7.07 of the Original Resolution is hereby amended to read as set forth in this section. Additions and deletions from the Original Resolution are shown as marked text, with additions double underlined and deletions struck:

_____ This resolution may be amended or supplemented from time to time, without the consent of the Registered Owners by a Supplemental Resolution adopted by the Commission for one or more of the following purposes:

- (a) pursuant to a Series Resolution to provide for the issuance of a Series or multiple Series of Subordinate Lien Parity Bonds under the provisions of Section 4 hereof and to set forth the terms of such Subordinate Lien Parity Bonds and the special provisions which shall apply

to such Subordinate Lien Parity Bonds;

- (b) to cure any formal defect, omission, inconsistency or ambiguity in, or answer any questions arising under, this Resolution or any Series Resolution, provided such supplement or amendment is not materially adverse to the Subordinate Lien Parity Bondholders;
- (c) to add to the covenants and agreements of the Port in this Resolution or any Series Resolution other covenants and agreements, or to surrender any right or power reserved or conferred upon the Port, provided such supplement or amendment shall not adversely affect the interests of the Subordinate Lien Parity Bondholders;
- (d) to confirm, as further assurance, any interest of the Subordinate Lien Parity Bondholders in and to the pledge of Available Revenue or to otherwise add additional security for the Subordinate Lien Parity Bondholders;
- (e) to evidence any change made in the terms of any Series of Bonds if such changes are authorized by the Series Resolution at the time the Series of Bonds is issued and such change is made in accordance with the terms of such Series Resolution;
- (f) to comply with the requirements of the Trust Indenture Act of 1939, as amended from time to time;
- (g) to modify, alter, amend or supplement this Resolution or any Series Resolution in any other respect that is not materially adverse to the Subordinate Lien Parity Bondholders;
- (h) to provide for uncertificated Subordinate Lien Parity Bonds or for the issuance of coupons and bearer Subordinate Lien Parity Bonds or Subordinate Lien Parity Bonds registered only as to principal;
- (i) to make modifications or adjustments necessary, appropriate or desirable to accommodate the use of a Credit Facility or Liquidity Facility for specific Subordinate Lien Parity Bonds

or a specific Series of Subordinate Lien Parity Bonds;

- (j) to provide for the issuance of the Subordinate Lien Parity Bonds pursuant to a book-entry system or as uncertified registered public obligations;
- (k) to make such additions, deletions, or modifications as may be necessary or desirable to assure exemption from federal income taxation of interest on any tax-exempt Subordinate Lien Parity Bonds;
- (l) for any other purpose that does not materially and adversely affect the interests of the Owners of the Subordinate Lien Parity Bonds, including without limitation to qualify the Subordinate Lien Parity Bonds or a Series of Subordinate Lien Parity Bonds for a rating or ratings from a Rating Agency or to accommodate the technical, operational and structural features of Bonds that are issued or are proposed to be issued, including, but not limited to, changes needed to accommodate commercial paper, swaps, variable rate or adjustable rate bonds, discounted or compound interest bonds or other forms of indebtedness that the Port, from time to time deems appropriate to incur; and
- (m) for any purpose, if such amendment becomes effective only following a mandatory tender of all Bonds for purchase.

~~This resolution may be amended or supplemented from time to time, without the consent of the Registered Owners by a Supplemental Resolution adopted by the Commission for one or more of the following purposes:~~

~~(a) — to add additional covenants of the Commission or to surrender any right or power herein conferred upon the Port; or~~

~~(b) — to cure any ambiguity or to cure, correct or supplement any defective (whether because of any inconsistency with any other provision hereof or otherwise) provision of this~~

~~resolution in such manner as shall not be inconsistent with this resolution or to make any other provisions with respect to matters or questions arising under this resolution, provided such action shall not impair the security hereof or adversely affect the interests of the Registered Owners; or~~

~~(e) — to provide or modify procedures permitting Registered Owners to utilize a certificated system of registration for Bonds; or~~

~~(d) — to modify, alter, amend, supplement or restate this resolution in any and all respects necessary, desirable or appropriate in connection with the delivery of a letter of credit, liquidity facility, standby bond purchase agreement or other security or liquidity arrangement; or~~

~~(e) — to modify the provisions for optional or mandatory redemption at the commencement of a Long Term Mode or Fixed Mode; or~~

~~(f) — to modify, alter, amend, supplement or restate this resolution in any and all respects necessary, desirable or appropriate in order to satisfy the requirements of any Rating Agency which may from time to time provide a rating on the Bonds, or in order to obtain or retain such rating on the Bonds as is deemed necessary by the Port; or~~

~~(g) — for any purpose, if such amendment becomes effective only following a mandatory tender of all Bonds for purchase.~~

Section 1.11. Amendments With Registered Owners Consent (Amended).

Section 7.08 of the Original Resolution is hereby amended to read as set forth in this section. Additions and deletions from the Original Resolution are shown as marked text, with additions double underlined and deletions struck:

This resolution may be amended from time to time by a Supplemental Resolution approved by the Registered Owners of 51% in aggregate principal amount of the Subordinate Lien Parity Bonds Outstanding; provided, that:

- (a) no amendment shall be made which affects the rights of some but fewer than all of the Registered Owners of the Subordinate Lien Parity Bonds Outstanding without the consent of the Registered Owners of 51% in aggregate principal amount of the Subordinate Lien Parity Bonds so affected, and
- (b) except as expressly authorized hereunder, no amendment that alters the interest rates on any Subordinate Lien Parity Bonds, the maturity date, interest payment dates, purchase upon tender or redemption provisions of any Subordinate Lien Parity Bonds, this Section 9(b) without the consent of the Registered Owners of all Subordinate Lien Parity Bonds Outstanding affected thereby.

For the purpose of consenting to amendments under this Section 9 except for amendments that alter the interest rate on any Subordinate Lien Parity Bonds, the maturity date, interest payment dates, purchase upon tender or redemption of any Subordinate Lien Parity Bonds, the Credit Facility Issuer shall be deemed to be the sole Registered Owner of the Subordinate Lien Parity Bonds that are payable from such Credit Facility and that are then Outstanding.

~~This resolution may be amended from time to time by a Supplemental Resolution approved by the Registered Owners of 51% in aggregate principal amount of the Bonds then Outstanding; provided, that (a) no amendment shall be made which affects the rights of some but fewer than all of the Registered Owners of the Outstanding Bonds without the consent of the Registered Owners of 51% in aggregate principal amount of the Bonds so affected, and (b) except as expressly authorized hereunder, no amendment that alters the interest rates on any Bonds, the maturity date, Interest Payment Dates, purchase upon tender or redemption provisions of any Bonds, this Section 7.08 without the consent of the Registered Owners of all Outstanding Bonds affected thereby. For the purpose of consenting to amendments under this Section 7.08 except for~~

~~amendments that alter the interest rate on any Bonds, the maturity date, Interest Payment Dates, purchase upon tender or redemption of any Bonds, the Credit Facility Issuer shall be deemed to be the sole Registered Owner of the Bonds that are payable from such Credit Facility and that are then Outstanding.~~

ARTICLE II. MISCELLANEOUS

Section 2.01. Contract; Severability.

The covenants in this resolution shall constitute a contract for the benefit of the Registered Owners, and the Registered Owners shall be entitled to enforce the provisions hereof in accordance with its terms. If any one or more of the covenants or agreements provided in this resolution to be performed on the part of the Port shall be declared by any court of competent jurisdiction and final appeal (if any appeal be taken) to be contrary to law, then such covenant or covenants, agreement or agreements, shall be null and void and shall be deemed separable from the remaining covenants and agreements in this resolution and shall in no way affect the validity of the other provisions of this resolution or of the Bonds.

Section 2.02. Effect of Amendments.

Exhibit A is incorporated as if set forth herein. Except as specifically amended herein and in Exhibit A, the Original Resolution shall continue in full force and effect in accordance with its original terms.

Section 2.03. Amendments With Credit Facility Issuer's Consent.

Any amendment or supplement to this resolution shall require the prior written consent of the Credit Facility Issuer.

Section 2.04. Immediate Effect.

This resolution shall take effect immediately upon its adoption.

ADOPTED by the Port Commission of the Port of Seattle at a meeting thereof, held this _____ day of _____, 2026, and duly authenticated in open session by the signatures of the commissioners voting in favor thereof.

PORT OF SEATTLE, WASHINGTON

Commissioners

EXHIBIT A:
AMENDED DEFINITIONS

As used in this resolution, the following words and phrases shall have the meanings hereinafter set forth unless the context clearly shall indicate that another meaning is intended:

Accreted Value means (a) with respect to any Capital Appreciation Bonds, as of any date of calculation, the sum of the initial principal amount of such Capital Appreciation Bonds plus the interest accumulated, compounded and unpaid thereon as of the most recent compounding date, or (b) with respect to Original Issue Discount Bonds, as of the date of calculation, the amount representing the initial public offering price of such Original Issue Discount Bonds plus the amount of discounted principal which has accreted since the date of issue.

Annual Debt Service means the total amount of Debt Service for all Prior Lien Bonds and Subordinate Lien Parity Bonds Outstanding, and, without duplication, with respect to any Derivative Product, in any fiscal year or Base Period.

Available Revenue means the Gross Revenue of the Port after providing for the payments set forth in paragraphs First through Eighth of Section 3(b) of this resolution. Notwithstanding the foregoing, the Port may adopt a resolution obligating and binding the Port to set aside and pay any part or parts of, or all of, or a fixed proportion of, or a fixed amount of other receipts (not previously included in Gross Revenue) at any time as additional security for any one or more series of Subordinate Lien Parity Bonds; provided that the Port has also obligated and bound itself to set aside and pay such receipts for the benefit of Prior Lien Bonds.

Balloon Maturity Bonds means any Prior Lien Bonds and Subordinate Lien Parity Bonds Outstanding that are so designated in their authorizing resolution or in a certificate of the

Designated Port Representative executed on or prior to their date of issuance. Commercial Paper shall be deemed to be a Balloon Maturity Bond.

Bank Bond means any Subordinate Lien Parity Bonds purchased with proceeds of a Credit Facility or Liquidity Facility or Subordinate Lien Parity Bonds evidencing the Port's obligation to reimburse a Credit Facility Issuer or Liquidity Facility Issuer for the payment of the purchase price of or principal of or interest on any Subordinate Lien Parity Bond.

Base Period means any consecutive 12-month period selected by the Designated Port Representative out of the 30-month period preceding the date of issuance of the series of Future Subordinate Lien Parity Bonds then proposed to be issued.

Bond Counsel means a firm of lawyers nationally recognized and accepted as bond counsel and so employed by the Port for any purpose under this resolution applicable to the use of that term.

Capital Appreciation Bonds mean any Prior Lien Bonds and Subordinate Lien Parity Bonds Outstanding all or a portion of the interest on which is compounded, accumulated and payable only upon redemption or on the maturity date of such Prior Lien Bonds or Subordinate Lien Parity Bonds. If so provided in their authorizing resolution or a certificate of the Designated Port Representative executed on or prior to their date of issuance, Prior Lien Bonds or Subordinate Lien Parity Bonds may be deemed to be Capital Appreciation Bonds for only a portion of their term. On the date on which Prior Lien Bonds or Subordinate Lien Parity Bonds no longer are Capital Appreciation Bonds, they shall be deemed Outstanding in a principal amount equal to their Accreted Value.

Certificate Period means the period commencing with the fiscal year following the year in which the proposed series of Subordinate Lien Parity Bonds are to be issued and extending through the earlier of (a) the third fiscal year in which any portion of interest on the Future Subordinate Lien Parity Bonds then being issued no longer will be paid from the proceeds of such Future Subordinate Lien Parity Bonds and (b) the fifth fiscal year following the year in which the proposed series of Subordinate Lien Parity Bonds are to be issued.

Commercial Paper means any Prior Lien Bond or Subordinate Lien Parity Bond with a maturity not more than 270 days from its date of issuance.

Commission means the Commission of the Port, or any successor thereto as provided by law.

Consultant means at any time an independent consultant nationally recognized in marine or aviation matters or an engineer or engineering firm or other expert appointed by the Port to perform the duties of the Consultant as required by this resolution. For the purposes of delivering any certificate required by Section 4(b)(3)(A)(ii) hereof, the term Consultant shall also include any independent national public accounting firm appointed by the Port to make such calculation or to provide such certificate or nationally-recognized municipal advisor appointed by the Port for purposes of making such calculation.

Credit Facility means a policy of municipal bond insurance, a letter of credit, surety bond, line of credit, guarantee, reimbursement agreement, or other financial instrument or any combination of the foregoing, which obligates a third party to make payment or provide funds for the payment of the purchase price of or the scheduled principal of and interest on Prior Lien Bonds or Subordinate Lien Parity Bonds. There may be one or more Credit Facilities outstanding at any time.

Credit Facility Issuer means the issuer of any Credit Facility.

Customer Facility Charge or ***CFC*** means any customer facility charge authorized pursuant to state law, including pursuant to RCW 14.08.120, as may be amended from time to time, and imposed upon customers of rental car companies accessing the Facilities for the purpose of financing, designing, constructing, operating and maintaining consolidated rental car facilities and common use transportation equipment and facilities which are used to transport the customer between the consolidated car rental facilities and other Facilities, or any successor provision approving such a charge or a similar charge or fee, and any interest, profits or other income derived from the investment thereof.

Debt Service means, for any period of time,

- (a) with respect to any Outstanding Original Issue Discount Bonds or Capital Appreciation Bonds that are not designated as Balloon Maturity Bonds, the principal amount thereof equal to the Accreted Value thereof maturing or scheduled for redemption in such period, plus the interest, if any, payable during such period;
- (b) with respect to any Outstanding Fixed Rate Bonds, an amount equal to (1) the principal amount coming due or subject to mandatory redemption during such period and for which no sinking fund installments have been established, (2) the amount of any payments required to be made during such period into any sinking fund established for the payment of such principal on the assumption that mandatory sinking fund installments will be applied to the redemption or retirement of such Prior Lien Bonds or Subordinate Lien Parity Bonds on the required redemption or retirement date, plus (3) all interest payable during such period on any such Prior Lien Bonds and Subordinate Lien Parity Bonds Outstanding;

- (c) with respect to all other series of Prior Lien Bonds and Subordinate Lien Parity Bonds Outstanding, other than Fixed Rate Bonds, Original Issue Discount Bonds or Capital Appreciation Bonds, specifically including but not limited to Balloon Maturity Bonds and Prior Lien Bonds and Subordinate Lien Parity Bonds bearing variable rates of interest, an amount for any period equal to the amount which would have been payable for principal and interest on such Prior Lien Bonds or Subordinate Lien Parity Bonds during such period computed on the assumption that the amount of such Prior Lien Bonds or Subordinate Lien Parity Bonds Outstanding as of the date of such computation would be amortized (1) in accordance with their scheduled maturities or required repayment dates, if any, and any mandatory redemption provisions (disregarding any put, mandatory tender or mandatory purchase provisions) set forth in or approved pursuant to their authorizing resolution, or if scheduled maturities, required repayment dates or mandatory redemption provisions (disregarding any put, mandatory tender or mandatory purchase provisions) are not provided, over a 30-year period commencing with the first fiscal year following the date of computation to provide for essentially level annual debt service of principal and interest over such period and (2) at an interest rate equal to the greater of (A) the average of the applicable Variable Rate Index over the 10-year period ending the week immediately preceding the date of calculation plus 0.50%, and (B) the applicable Variable Rate Index in the week immediately preceding the date of calculation; and
- (d) with respect to Derivative Products, the Port Payments required by contract to be paid to a Reciprocal Payor under any existing Derivative Product, offset by the Reciprocal Payments during the relevant period, on the assumption that if any such payment is not fixed at the time of execution of the Derivative Product, the amount of such payment will

be calculated at the Estimated Average Derivative Rate prevailing during the remaining term of the Derivative Product.

Debt Service shall include reimbursement obligations (and interest accruing thereon) owing to any Credit Facility Issuer or Liquidity Facility Issuer; provided that a Prior Lien Bond or Subordinate Lien Parity Bond and an unreimbursed reimbursement obligation arising with respect to such Prior Lien Bond or Subordinate Lien Parity Bond shall not be deemed to be Outstanding at the same time. With respect to any Prior Lien Bonds or Subordinate Lien Parity Bonds payable in other than U.S. Dollars, Debt Service shall be calculated as provided in or pursuant to their authorizing resolution. Debt Service shall be net of (1) any principal or interest funded out of Prior Lien Bond or Subordinate Lien Parity Bond proceeds and (2) any Debt Service Offset.

Debt Service Offset means receipts of the Port (such as PFCs or CFCs) that are not included in Gross Revenue and that are legally available and pledged by the Port to pay debt service on Prior Lien Parity Bonds and/or Subordinate Lien Parity Bonds for a period not less than the duration of the Certificate Period.

Derivative Facility means a letter of credit, an insurance policy, a surety bond or other credit enhancement device, given, issued or posted as security for the Port's obligations under one or more Derivative Products.

Derivative Payment Date means any date specified in the Derivative Product on which a Port Payment is due and payable under the Derivative Product.

Derivative Product means a written contract or agreement between the Port and a Reciprocal Payor, which provides that the Port's obligations thereunder will be conditioned on the absence of: (i) a failure by the Reciprocal Payor to make any payment required thereunder

when due and payable, and (ii) a default thereunder with respect to the financial status of the Reciprocal Payor; and

- (a) under which the Port is obligated to pay, on one or more scheduled and specified Derivative Payment Dates, the Port Payments in exchange for the Reciprocal Payor's obligation to pay or to cause to be paid to the Port, on the same scheduled and specified Derivative Payment Dates, the Reciprocal Payments;
- (b) under which Reciprocal Payments are to be made directly into a bond fund for Prior Lien Bonds or Subordinate Lien Parity Bonds Outstanding;
- (c) for which the Port Payments are either specified to be one or more fixed amounts or are determined according to a formula set forth in the Derivative Product; and
- (d) for which the Reciprocal Payments are either specified to be one or more fixed amounts or are determined according to a formula set forth in the Derivative Product.

Derivative Product Account means the Derivative Product Account, if any, created and established under Section 6 hereof or under another authorizing resolution.

Designated Port Representative means the Executive Director of the Port, the Deputy Executive Director of the Port or the Chief Financial Officer of the Port (or the successor in function to such person(s)) or such other person as may be directed by resolution of the Commission.

EMMA means the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system, located at www.emma.msrb.org, or any successor to its functions.

Estimated Average Derivative Rate means:

- (a) as to the variable rate payments to be made by a party under any Derivative Product,
 - (1) if the Port is the variable rate payor, the greater of the then-prevailing

value of the formula set forth in the Derivative Product by which the variable rate payments to be paid by the Port are determined or the average of such variable rate formula during the immediately preceding 12 months;

(2) if the Reciprocal Payor is the variable rate payor, the lesser of the then prevailing value of the formula set forth in the Derivative Product by which the variable rate payments to be paid by the Reciprocal Payor are determined or the average of such variable rate formula during the immediately preceding 12 months; and

(b) when the variable rate to be used in a Derivative Product is a designated hedge of one or more specified maturities of the variable rate Prior Lien Bonds or Subordinate Lien Parity Bonds, the variable rate or rates under the Derivative Product will be deemed to be the same rate or rates estimated for the specified maturity or maturities of the specified Prior Lien Bonds or Subordinate Lien Parity Bonds; and

(c) if two or more Derivative Products specify the same index and formula for determining and setting their respective variable rates, on the same dates, and for the same periods of time, and with respect to the identical derivative principal amounts, all such Derivative Products shall be deemed to have the same Estimated Average Derivative Rate, calculated in accordance with paragraphs (a)(1) and (a)(2) of this definition and, where applicable, with respect to the first of such Derivative Products to become effective.

Facilities mean all equipment and all property, real and personal, or any interest therein, whether improved or unimproved, now or hereafter (for as long as any Subordinate Lien Parity

Bonds of the Port shall be Outstanding) owned, operated, used, leased or managed by the Port and that contribute in some measure to its Gross Revenue.

First Lien Bonds mean the Outstanding First Lien Bonds and any bonds issued by the Port pursuant to Section 5 of the First Lien Master Resolution, which provides that such bonds shall be on a parity of lien with other series of First Lien Bonds.

First Lien Master Resolution has the meaning set forth in the recitals, as such resolution may be amended in the future in accordance with its terms.

Fitch means Fitch Ratings, Inc., organized and existing under the laws of the State of Delaware, its successors and their assigns, and, if such organization shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, Fitch shall be deemed to refer to any other nationally recognized securities rating agency (other than S&P, Moody's or Kroll) designated by the Designated Port Representative.

Fixed Rate Bonds means Bonds other than Capital Appreciation Bonds, Original Issue Discount Bonds or variable rate Balloon Maturity Bonds with a rate of interest on such Prior Lien Bonds or Subordinate Lien Parity Bonds that is fixed and determinable through their final maturity or for a specified period of time. If so provided in their authorizing resolution or a certificate of the Designated Port Representative executed on or prior to their date of issuance, Prior Lien Bonds or Subordinate Lien Parity Bonds may be deemed to be Fixed Rate Bonds for only a portion of their term.

Future Subordinate Lien Parity Bonds means revenue bonds or other revenue obligations issued by the Port in the future with a lien on Gross Revenue equal to the lien thereon of the Subordinate Lien Parity Bonds Outstanding, including without limitation any Bank Bond issued

by the Port in the future with a lien on Gross Revenue equal to the lien thereon of the Subordinate Lien Parity Bonds Outstanding.

Gross Revenue means all income and revenue derived by the Port from any source whatsoever except:

- (a) the proceeds of any borrowing by the Port and the earnings thereon (other than earnings on proceeds deposited in reserve funds);
- (b) income and revenue that may not legally be pledged for revenue bond debt service;
- (c) passenger facility charges (PFCs), head taxes, federal grants or substitutes therefor allocated to capital projects;
- (d) payments made under Credit Facilities or Liquidity Facilities issued to pay or secure the purchase of or payment of a particular series of Prior Lien Bonds or Subordinate Lien Parity Bonds;
- (e) proceeds of insurance or condemnation proceeds other than business interruption insurance;
- (f) income and revenue of the Port separately pledged and used by it to pay and secure the payment of the principal of and interest on any issue or series of Special Revenue Bonds of the Port issued to acquire, construct, equip, install or improve part or all of the particular facilities from which such income and revenue are derived, *provided that* nothing in this subparagraph (f) shall permit the withdrawal from Gross Revenue of any income or revenue derived or to be derived by the Port from any income producing facility that shall have been contributing to Gross Revenue prior to the issuance of such Special Revenue Bonds and that are not Released Revenues; and
- (g) income from investments irrevocably pledged to the payment of bonds to be refunded

under any refunding bond plan of the Port.

Notwithstanding the foregoing, the Port may elect to pledge other receipts at any time as additional security for any one or more series of obligations.

Intermediate Lien Parity Bonds means the Outstanding Intermediate Lien Bonds and any future revenue bonds issued pursuant to the Intermediate Lien Master Resolution with a lien on Available Intermediate Lien Revenues (as defined in the Intermediate Lien Master Resolution) on a parity with the lien thereon of the then Outstanding Intermediate Lien Bonds.

Intermediate Lien Master Resolution has the meaning set forth in the recitals, as such resolution may be amended in the future in accordance with its terms.

Kroll means Kroll Bond Rating Agency, Inc. and its successors and assigns, except that if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then the term Kroll shall be deemed to refer to any other nationally recognized securities rating agency (other than Moody's, Fitch or S&P) selected by the Designated Port Representative.

Liquidity Facility means a line of credit, standby purchase agreement or other financial instrument or any combination of the foregoing, which obligates a third party to make payment or to provide funds for the payment of the purchase price of Prior Lien Bonds or Subordinate Lien Parity Bonds. There may be more than one Liquidity Facility providing funds for payment of the purchase price of Prior Lien Bonds or Subordinate Lien Parity Bonds if so provided in or pursuant to the Series Resolution or Series Resolutions.

Liquidity Facility Issuer means the issuer of any Liquidity Facility.

Maximum Annual Debt Service means the highest Annual Debt Service in any future fiscal year.

Moody's means Moody's Ratings, Inc., a corporation duly organized and existing under and by virtue of the laws of the State of Delaware, and its successors and assigns, except that if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then the term Moody's shall be deemed to refer to any other nationally recognized securities rating agency (other than Fitch or S&P or Kroll) selected by the Designated Port Representative.

Net Revenues means Gross Revenue less any part thereof that must be used to pay Operating Expenses.

Operating Expenses means the current expenses incurred for operation or maintenance of the Facilities (other than Special Facilities), as defined under generally accepted accounting principles, in effect from time to time, excluding any allowances for depreciation or amortization or interest on any obligations of the Port incurred in connection with and payable from Gross Revenue, and excluding Operating Expenses paid from sources other than Gross Revenue (e.g. from the Port's property tax levy). Operating Expenses may be further adjusted as may be necessary to reflect more fairly the Port's annual operating performance (e.g. to omit other non-cash items).

Original Issue Discount Bonds means Prior Lien Bonds or Subordinate Lien Parity Bonds that are sold at an initial public offering price of less than 95% of their face value and that are designated as Original Issue Discount Bonds in their authorizing resolution or a certificate of the Designated Port Representative on or prior to their date of issuance.

Other Revenue Available and Applied to Debt Service means income and revenue derived by the Port from any source whatsoever and not included in Gross Revenue (such as income or revenue generated by or attributable to PFCs, CFCs, or Special Facilities) that the Port receives in

a fiscal year and uses to pay debt service on outstanding Prior Lien Bonds or Subordinate Lien Parity Bonds Outstanding in such fiscal year.

Outstanding, when used as of a particular time with reference to Prior Lien Bonds or Subordinate Lien Parity Bonds, means all Prior Lien Bonds Subordinate Lien Parity Bonds delivered pursuant to their authorizing resolution except:

- (a) Prior Lien Bonds or Subordinate Lien Parity Bonds cancelled by the Registrar or surrendered to the Registrar for cancellation;
- (b) Prior Lien Bonds or Subordinate Lien Parity Bonds paid or deemed to have been paid within the meaning of their authorizing resolution; and
- (c) Prior Lien Bonds or Subordinate Lien Parity Bonds in lieu of or in substitution for which replacement Prior Lien Bonds or Subordinate Lien Parity Bonds, as applicable, have been executed by the Port and delivered by the Registrar.

Notwithstanding the foregoing, Bank Bonds and other Prior Lien Bonds or Subordinate Lien Parity Bonds evidencing the Port's obligation to reimburse any Credit Facility Issuer or Liquidity Facility Issuer for the payment of the purchase price of, or principal of or interest on, any Prior Lien Bonds or Subordinate Lien Parity Bonds, as applicable, shall remain Outstanding until the applicable Credit Facility Issuer or Liquidity Facility Issuer is paid all such amounts due.

Outstanding First Lien Bonds has the meaning set forth in the recitals hereto.

Outstanding Intermediate Lien Bonds has the meaning set forth in the recitals hereto.

Outstanding Subordinate Lien Parity Bonds has the meaning set forth in the recitals hereto.

Passenger Facility Charge or **PFC** means any charge collected pursuant to the authority granted by the Aviation Safety and Capacity Expansion Act of 1990 (49 U.S.C. § 40117), the

Aviation Investment Reform Act of 2000 and 14 C.F.R. Part 158, as amended from time to time, and interest earnings thereon, net of amounts that collecting air carriers are entitled to retain for collecting, handling and remitting such passenger facility charge revenues.

Port means the Port of Seattle, a municipal corporation of the State of Washington, as now or hereafter constituted, or the corporation, authority, board, body, commission, department or officer succeeding to the principal functions of the Port or to whom the powers vested in the Port shall be given by law.

Port Payment means any payment, other than a termination or other nonscheduled payment, required to be made by or on behalf of the Port under a Derivative Product and which is determined according to a formula set forth in a Derivative Product.

Prior Lien Bonds means the First Lien Bonds, the Intermediate Lien Parity Bonds, the Reserved Lien Revenue Bonds, and any other revenue bonds that may be issued in the future at the discretion of the Port payable from Net Revenues as described in paragraphs Second through Eighth of Section 3(b) of this resolution and with a lien on Gross Revenue or Net Revenues superior to the lien thereon of the Subordinate Lien Parity Bonds.

Prior Lien Debt Service (Rate Covenant) means, for any fiscal year, the sum of the amounts required to be deposited during such fiscal year from Net Revenues for the payment of the amounts described in paragraphs Second through Eighth of Section 3(b) of this resolution.

Qualified Insurance means any non-cancellable municipal bond insurance policy or surety bond issued by any insurance company licensed to conduct an insurance business in any state of the United States (or by a service corporation acting on behalf of one or more such insurance companies) which insurance company or companies, as of the time of issuance of such

policy or surety bond, are rated in one of the three highest Rating Categories by one or more of the Rating Agencies for unsecured debt or insurance underwriting or claims paying.

Qualified Letter of Credit means any irrevocable letter of credit issued by a financial institution, which institution maintains an office, agency or branch in the United States and as of the time of issuance of such letter of credit, is rated in one of the three highest long-term Rating Categories by one or more of the Rating Agencies.

Rating Agency means Moody's, S&P, Fitch, Kroll, and/or another nationally recognized rating agency, provided such rating agency is then maintaining a rating on the applicable Series of First Lien Bonds or Subordinate Lien Parity Bonds at the request of the Port.

Rating Category means the generic rating categories of a Rating Agency, without regard to any refinement or gradation of such rating category by a numerical modifier or otherwise.

Reciprocal Payment means any payment to be made to, or for the benefit of, the Port under a Derivative Product by the Reciprocal Payor.

Reciprocal Payor means any bank or corporation, partnership or other entity who itself, or whose guarantor, has at the time the Derivative Product is entered into, at least an "A" rating from a Rating Agency then maintaining a rating on the applicable Prior Lien Bonds or Subordinate Lien Parity Bonds Outstanding, that is a party to a Derivative Product and that is obligated to make one or more Reciprocal Payments thereunder.

Registered Owner means the person named as the registered owner of a Subordinate Lien Parity Bond on the register for such Subordinate Lien Parity Bond. For so long as the Subordinate Lien Parity Bonds are held by a Securities Depository or its nominee, such Securities Depository shall be deemed to be the Registered Owner.

Released Revenues means income or revenue of the Port previously included in Gross Revenue in respect of which the following have been delivered by or to the Port:

- (a) a certificate of the Designated Port Representative identifying the income or revenue to be removed from the definition of Gross Revenue and certifying the Port is in compliance with all requirements of this resolution;
- (b) a certificate of the Port or an independent certified public accountant to the effect that Net Revenue, excluding the income or revenues proposed to become Released Revenues, for each of the two audited fiscal years prior to the date of such certificate were equal to at least 110% of Maximum Annual Debt Service; and
- (c) an opinion of Bond Counsel to the effect that the exclusion of such revenues from the definition of Gross Revenue and from the pledge, charge and lien of this resolution will not in and of itself cause the interest on any Subordinate Lien Parity Bond issued as tax-exempt securities to be included in gross income for purposes of federal income tax.

Repair and Renewal Fund means the special fund authorized to be created pursuant to Section 2(b) of the First Lien Master Resolution.

Reserved Lien Revenue Bonds means those revenue bonds and other revenue obligations issued or incurred by the Port payable from Gross Revenue and having liens on Gross Revenue or Net Revenues subordinate to that of the Intermediate Lien Parity Bonds and prior to the lien thereon of the Subordinate Lien Parity Bonds.

Revenue Fund means, collectively, the Port's general fund, airport development fund and any other fund established in the office of the Treasurer for the receipt of Gross Revenue.

SIFMA Municipal Swap Index means the Securities Industry and Financial Markets Association Municipal Swap Index or such other weekly, high-grade index comprised of seven-day, tax-exempt variable rate demand notes produced by Bloomberg, or its successor, or as otherwise designated by the Securities Industry and Financial Markets Association; *provided*, however, that, if such index is no longer produced by Bloomberg or its successor, then SIFMA Municipal Swap Index shall mean such other reasonably comparable index selected by the Designated Port Representative.

Series Resolution means a resolution adopted by the Commission authorizing the issuance of one or more series of Subordinate Lien Parity Bonds pursuant to the terms of this resolution.

Special Facilities means particular facilities financed with the proceeds of Special Revenue Bonds.

Special Revenue Bonds mean any issue or series of revenue bonds, revenue warrants or other revenue obligations of the Port issued to directly or indirectly acquire (by purchase, lease or otherwise), construct, equip, install or improve part or all of particular facilities (together with any revenue obligations issued to refund the foregoing), and which are payable from and secured by the income and revenue from such facilities.

SOFI Index means the forward-looking one month term rate based on the secured overnight financing rate that is published by CME Group Benchmark Administration Ltd. (“CME”), or its successor, and displayed on CME’s Market Data Platform (or other commercially available source providing such quotations); *provided*, however, that, if such rate is no longer provided by CME or its successor, then the SOFI Index shall mean such other reasonably comparable index selected by the Designated Port Representative.

S&P means S&P Global Ratings, Inc., and its successors and assigns, except that if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then the term S&P shall be deemed to refer to any other nationally recognized securities rating agency (other than Moody's or Fitch or Kroll) selected by the Designated Port Representative.

Subordinate Lien Bond Fund means the Port of Seattle Subordinate Lien Bond Fund created or maintained in the office of the Treasurer by authority granted in Section 3(a) of this resolution.

Subordinate Lien Parity Bonds mean the Outstanding Subordinate Lien Parity Bonds and any Future Subordinate Lien Parity Bonds, including without limitation any Bank Bonds issued in connection with the Outstanding Subordinate Lien Parity Bonds and any Bank Bonds issued in connection with Future Subordinate Lien Parity Bonds.

Subordinate Lien Parity Test means (1) if no Debt Service Offset is applied to Debt Service, Net Revenue equal to or greater than 1.05 times Annual Debt Service on all Prior Lien Bonds and Subordinate Lien Parity Bonds then Outstanding and the Future Subordinate Lien Parity Bonds then proposed to be issued, or (2) if any Debt Service Offset is applied to Debt Service, Net Revenue equal to or greater than 1.10 times Annual Debt Service on all Prior Lien Bonds and Subordinate Lien Parity Bonds then Outstanding and the Future Subordinate Lien Parity Bonds then proposed to be issued.

Subordinate Lien Rate Covenant means the covenant of the Port to establish, maintain and collect rentals, tariffs, rates, fees, and charges in the operation of all of its business for as long as any Subordinate Lien Parity Bonds are Outstanding that will produce Net Revenue in each fiscal

year at least equal to 100% of the amounts required to pay the following amounts coming due in such fiscal year:

(1) Prior Lien Debt Service (Rate Covenant), and

(2) without duplication and in connection with Subordinate Lien Parity Bonds:

(a) principal of and interest on any Subordinate Lien Parity Bond Outstanding that is not Commercial Paper and is not a Bank Bond,

(b) interest on any Commercial Paper that is Outstanding during such fiscal year,

(c) principal of and interest on any Bank Bond that is Outstanding during such fiscal year,

(d) any Port Payments due with respect to any Derivative Product and,

(e) to the extent not otherwise provided for in this definition, any amounts due to a Reciprocal Payor,

but excluding from each of the foregoing without duplication, payments made or to be made from Other Revenue Available and Applied to Debt Service, bond proceeds and other money irrevocably set aside for such payment.

Subordinate Lien Resolution means any Outstanding Subordinate Lien Resolution or Series Resolution authorizing the issuance of one or more series of Subordinate Lien Parity Bonds pursuant to this resolution.

Taxable Obligation means any Prior Lien Bond or Subordinate Lien Parity Bond the interest on which is taxable for federal income tax purposes.

Tax-Exempt Obligation means any Prior Lien Bond or Subordinate Lien Parity Bond the interest on which is tax-exempt or tax-advantaged for federal income tax purposes.

Treasurer means the Chief Financial Officer of the Port, or any other public officer as may hereafter be designated pursuant to law to have the custody of Port funds.

Variable Rate Index means, for Tax-Exempt Obligations, the SIFMA Municipal Swap Index and, for Taxable Obligations, the SOFR Index.

CERTIFICATE

I, the undersigned, Secretary of the Port Commission (the “Commission”) of the Port of Seattle, Washington (the “Port”), DO HEREBY CERTIFY:

1. That the attached resolution numbered 3847 (the “Resolution”), is a true and correct copy of a resolution of the Port, as finally adopted at a meeting of the Commission held on the ____ day of _____, 2026, and duly recorded in my office.

2. That said meeting was duly convened and held in all respects in accordance with law, and to the extent required by law, due and proper notice of such meeting was given; that a quorum of the Commission was present throughout the meeting and a legally sufficient number of members of the Commission voted in the proper manner for the adoption of said Resolution; that all other requirements and proceedings incident to the proper adoption of said Resolution have been duly fulfilled, carried out and otherwise observed, and that I am authorized to execute this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of _____, 2026.

Secretary

Subordinate Lien Revenue Debt Refresh

March 24, 2026



Commission Actions

- Adoption of the Subordinate Lien Master Resolution No. 3845
 - Establishes key credit provisions that will apply to all Subordinate Lien Revenue Bonds
 - Amendment of the two Series Resolutions for currently outstanding Subordinate Lien bonds
 - Incorporates changes in the Master Resolution
- Note:** Actions today do not include any new bond issue authorization
- Likely Commission request for new bond(s) later this year

Background

- Subordinate Lien was established in 1992
 - Debt service obligations on Subordinate Lien bonds are paid from the Port's net revenues *after* payment of First Lien and Intermediate Lien obligations
- Beginning in 1997, the Subordinate Lien has been used primarily for variable rate debt backed by bank credit
- Only ~4% of the Port's total debt portfolio is variable rate (all on the Subordinate Lien):
 - Commercial Paper Notes – total authorized, \$400 million (\$120 million outstanding)
 - 2008 Variable Rate Demand Bonds - \$110 million outstanding

Purpose

- Staff is proposing updates that will make the subordinate lien more usable and easier to manage
 - Certain provisions are now out of date or inconsistent with other liens
- Refresh will help pave the way for *future* issuance of Subordinate Lien variable rate debt
 - The Port can improve its overall debt management by issuing more variable rate debt – see appendix for additional details on variable rate

Key Updates

Topic	Current	New	Purpose
Legal Structure	Each series of bonds is governed by its own bond resolution	Similar to the First and Intermediate Liens, a Master Resolution will govern material provisions, and a series resolution will govern the mechanics of each series of bonds	Clear consistency of primary credit provisions
Debt Service Coverage	1.0x based on the subordinate lien alone (income after First and Intermediate Lien bonds are paid) divided by the subordinate lien debt service	1.0x based on aggregate coverage – net income of the Port divided by the debt service of all liens	Aggregate coverage provides a clearer and more meaningful calculation
Debt Service Offsets	PFCs and CFCs did not exist when lien was formed	The Port may use off sets such as PFCs and CFCs to reduce debt service in the coverage calculation	Flexibility to use off sets
Additional Bonds Test	1.5x coverage based on the subordinate Lien only	1.05x aggregate coverage or 1.10x if debt service off sets are pledged	More flexibility to issue new debt

Process

Step	Status
Input from Port's investment banking team on recommended changes to the subordinate lien	Completed
Consent by Bank of America and Sumitomo – Letter of Credit providers on the Port's outstanding Subordinate Lien bonds and notes	In Progress
Commission Authorization	March/April
Confirmation from Rating Agencies	April
Extension of Letter of Credit on Series 2008 Bonds	April

Commission Action

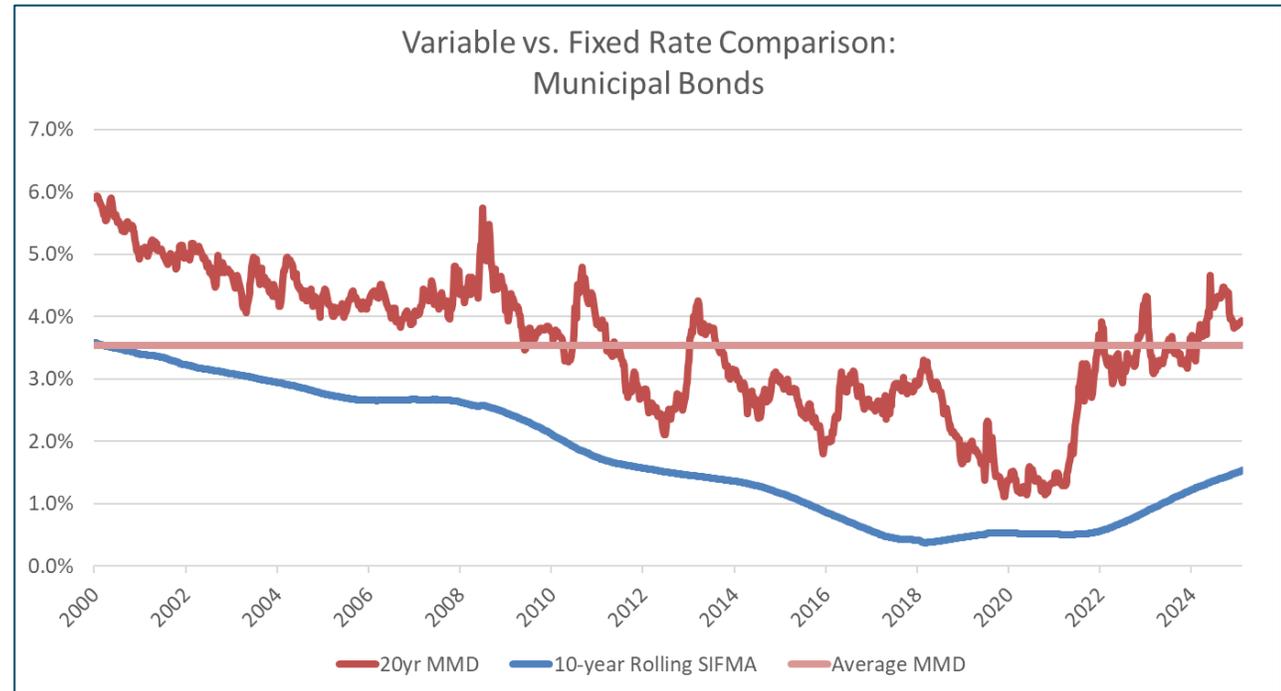
- Request Introduction on March 24, 2026
 - Request Adoption on April 14, 2026
1. Adopt new Subordinate Lien Master Resolution No. 3845
 2. Adopt Series Resolution No. 3846 - Commercial Paper Notes
 - Amends Subordinate Lien Series Resolution No. 3456 (as previously amended by Resolution No. 3777)
 3. Adopt Series Resolution No. 3847 - 2008 Variable Rate bonds
 - Amends Subordinate Lien Series Resolution No. 3598

Appendix – Variable Rate Debt

Variable Rate Debt Can Lower the Port's Cost of Capital

- Variable interest rates reset frequently, e.g. each week
- Short-term municipal rates on average are lower than long-term rates

Average Rates 2000-2025	
SIFMA	MMD
1.48%	3.54%

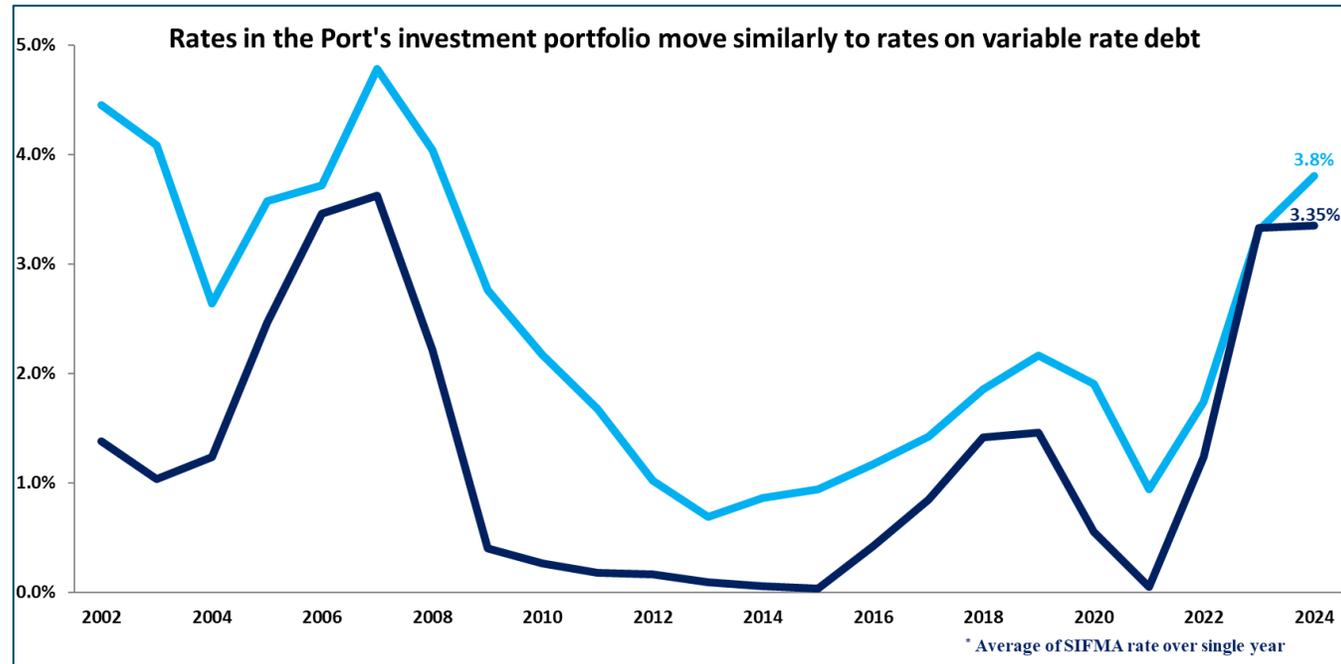


- SIFMA: Securities Industry and Financial Market Association Index of municipal short-term rates
- MMD: Municipal Market Data index of long-term rates

Other Benefits

Asset-Liability Management

- Reduce interest rate risk by hedging interest expense and interest earnings

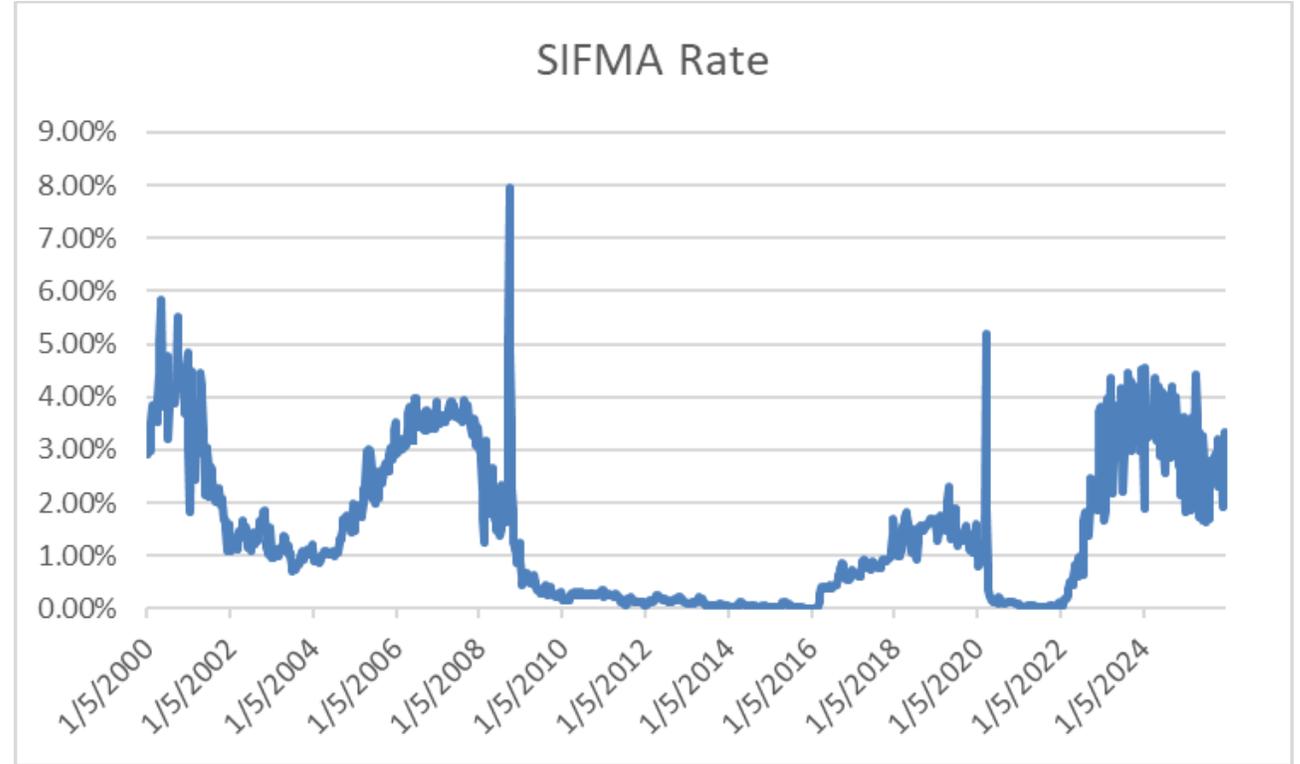


Flexible Structure

- Some variable rate products provide for flexible principal payments

Rate Volatility is a Risk

- The Port retains interest rate risk, but manages that by off-setting variable rates on its investment portfolio



The Port Retains Credit and Liquidity Risk

Risk

- The Port's variable rate is backed by a bank letter of credit
- Problems with the market or problems with the bank's credit can result in higher rates or in a lack of investors
 - The Port experienced this during the credit crisis in 2008

Mitigation

- The Port negotiates agreements with the bank(s) to minimize the increase in rates and to provide time to cure the underlying problem
- Diversify bank exposure



**COMMISSION
AGENDA MEMORANDUM**

Item No. 11a

BRIEFING ITEM

Date of Meeting March 24, 2026

DATE: March 5, 2026

TO: Stephen P. Metruck, Executive Director

FROM: Derek Bender, Manager, Talent Connections
Kim DesMarais, Director, Talent Management
Katie Gerard, Senior Director, Human Resources

SUBJECT: Port of Seattle Talent Connections Programs Update

EXECUTIVE SUMMARY

This briefing informs Commission of key internship program updates and impacts from 2025 and outlines a new pathway program opportunity that will launch in 2026.

In 2025:

1. We offered and hired 65 internship opportunities for college students in various degree programs ranging from Juris Doctor, Master’s, Bachelor’s, Associate, and certification programs.
2. We hired and welcomed 55 High School interns into our Winter and Summer program through the efforts of numerous community partnerships with local school districts and youth supporting organizations.
3. We continue to foster key community partnerships with near Port communities including school districts, regional university and college campuses, Tribal partnerships including the Muckleshoot and Suquamish Tribal schools, and community groups in the Duwamish Valley.
4. With our commitment to equity, our outreach efforts span from prioritizing youth facing barriers to employment and supporting those furthest from opportunity.
5. We saw tremendous gains in all measurable categories of youth development through our program metrics.
6. We celebrated the achievements of many interns who were successful in transitioning into regular and temporary Port roles, leveraging the skills and knowledge gained through their internship opportunities.
7. We look forward to the launch of our new pilot program, Port Pathways Program, that offers new opportunities to those who face barriers to higher education and often are structurally excluded from participating in traditional internship models that lead to wage gain and increased career mobility.

Meeting Date: March 24, 2026

Program Updates

Talent Connection Pathway Opportunities

Our Talent Connections team provides four different programs that support entry into Port career pathways:

1. **High School Internship Program** – Designed to provide early career exposure and career connected learning for youth enrolled in high schools throughout King County.
2. **Post-Secondary Internship Program** – Designed to provide engaging and intentional professional development to college students, looking to leverage their academic learnings and apply them to practical experiences.
3. **Veteran Fellowship Program** – Designed to support recently transitioned service members with transferrable skill identification and civilian career exposure.
4. **Port Pathways Program** – New pilot program in 2026, offering internship experiences to those facing barriers to higher education and career mobility, addressing a gap in traditional internship offerings tied directly to academic experience.

Collectively, our combined programs offer 134 opportunities each year.

High School Program

The Port of Seattle’s High School Internship Program provides structured, early-career exposure and career-connected learning opportunities for high school students throughout King County. Through strong partnerships with local school districts, tribal schools, and youth-serving community organizations, the program creates equitable pathways for students to explore Port careers and develop foundational workforce skills.

Consistent with the Port’s commitment to advancing equity and expanding access to economic opportunity, outreach efforts intentionally prioritize students who face systemic barriers to employment or who are furthest from opportunity and communities in low and very low equity communities.

In 2025, the Port hired and supported 55 high school interns across the Winter and Summer sessions, reflecting both strong community engagement and the effectiveness of targeted recruitment strategies.

Program outcomes in 2025 demonstrated significant gains across key youth-development metrics, and several former interns successfully transitioned into additional Port roles, underscoring the program’s role in building long-term career pathways. As a critical component of the Talent Connections portfolio, the High School Internship Program strengthens the region’s talent pipeline while advancing the Port’s strategic priority of fostering inclusive, community-centered workforce development.

Meeting Date: March 24, 2026

Post-Secondary Program

The Port of Seattle’s Post-Secondary Internship Program provides career focused, professional development experiences for college students pursuing a range of academic pathways, including certificate, associate, bachelor’s, master’s, and juris doctor programs. The program is designed to help students apply their academic learning to practical, real-world contexts while gaining career exposure across Port divisions and operational environments.

In 2025, the Port offered and hired 65 post-secondary internship opportunities, reflecting its continued commitment to building a strong regional talent pipeline. Interns benefited from intentional development programming that supports skill-building, career exploration, and professional readiness. These experiences prepare students for high-demand careers while strengthening future workforce capacity for the Port and its industry partners.

The program has demonstrated meaningful impact, with many former interns transitioning into full-time Port roles by leveraging the skills, relationships, and applied knowledge acquired during their internship assignments. As part of the broader Talent Connections strategy, the Post-Secondary Internship Program supports the Port’s long-term workforce development priorities and helps advance equitable access to high-quality career pathways for students across the region.

Outreach

In 2025 and through the first quarter of 2026, Talent Connections strengthened and expanded its community-centered outreach strategy to ensure equitable access to Port of Seattle career pathway opportunities. Through intentional engagement with nearly 70 community partners, Talent Connections advanced its commitment to supporting youth furthest from opportunity.

Throughout the year, staff participated in more than 60 youth-focused outreach events across King County, providing career awareness, direct engagement, and early exposure to Port industries. In addition, staff hosted 23 dedicated information sessions and facility tours, offering students, educators, and community partners deeper insight into Port careers, operations, and internship pathways.

These combined outreach efforts have reinforced the Port’s regional presence as an accessible, community-aligned workforce development leader. They continue to build trust, expand career-connected learning opportunities, and deepen relationships with partners who play a critical role in connecting young people to meaningful career pathways at the Port.

Meeting Date: March 24, 2026

Port Pathway Program

The Port Pathway Program is a new pilot launching in 2026 that expands the Port of Seattle’s commitment to equitable workforce development by creating internship opportunities for individuals who face significant barriers to higher education and traditional career-entry models. This program is designed to address a longstanding gap in conventional internship structures, which often require academic enrollment and can unintentionally exclude communities historically underrepresented in pathways to living-wage careers.

Through Port Pathways, participants gain exposure to Port careers, develop transferable workplace skills, bolster skills gained through alternative routes, and engage in structured professional development activities tailored to their needs. By removing academic-experience requirements, the program broadens access to Port opportunities and helps build career mobility for participants who have historically lacked access to similar career-connected learning.

As part of the broader Talent Connections suite of programs, Port Pathways strengthens the Port’s career ecosystem by intentionally serving those furthest from opportunity. This pilot will support the Port’s strategic goals of expanding equitable economic access, diversifying the regional talent pipeline, and creating more inclusive pathways into Port careers.

ATTACHMENTS TO THIS BRIEFING

- (1) Presentation slides

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

- April 12, 2022 – The Commission was briefed on Youth Internship Programs
- June 23, 2020 – The Commission authorized Workforce Development Policy Directive, Resolution No. 3776
- February 11, 2020– The Commission was briefed on Youth Internship Programs
- November 27, 2018 – The Commission was briefed on Youth Internship Programs
- May 9, 2017 – The Commission was briefed on Workforce Development Updates



TALENT CONNECTIONS COMMISSION BRIEFING

3/24/2026

TALENT CONNECTIONS PATHWAY OPPORTUNITIES



High School Intern — Youth enrolled/recent graduates of local high schools in King County



Post-Secondary Intern — Active/recent students affiliated with higher education institutions



Veteran Fellow — Recently separated veterans from all U.S. military branches



Port Pathway Program — New program in 2026 offering internship experiences to those not directly affiliated with higher education

PROGRAM OFFERINGS



Winter

20 High School Interns



Summer

40 High School Interns
58 Post-Secondary Interns
4 Port Pathway Program



Spring

3 Veteran Fellows



Fall

3 Veteran Fellows
6 Post-Secondary Interns

134

HIGH SCHOOL PROGRAM - WINTER



- Partner with Maritime H.S. and Raisbeck Aviation H.S.
- Maritime and Aviation cohorts
- Project based model w/ sponsors
 - AV – Innovation Projects
 - Escalator Safety Improvements for Passengers
 - Little Free Book Library Sustainability
 - Maritime – Experiential Learning Project
 - Develop maritime-focused field trips and experiential learning activities for Duwamish Valley youth.

HIGH SCHOOL PROGRAM - SUMMER



- Open to all HS students
 - Focus on near Port communities
 - Promoted through community partners and local schools
- Culminating project presentation
- Integrated department model



Joining the Green Jobs cohort promises a hands-on journey into environmental work. You'll find yourself outdoors, working on projects like planting and habitat restoration, or strategizing with your team about environmental efforts. Your research efforts will play a role in bridging the gap between science and public awareness, making conservation efforts more accessible & engaging for the broader community.



As an intern embarking on a maritime cohort journey, you'll dive deep into the fascinating world of all things nautical. From exciting boat tours to working on the docks at one of the Port's many waterfront facilities, you'll get a sense of the many careers in the maritime industry and work firsthand with customers and professionals alike.



Your time in the aviation cohort will explore the behind the scenes of what makes an airport function. From attending captivating tours with the Port Police Department, airfield operations, and public art teams, to experiencing the thrill of real planes taking off, you'll see the behind the scenes of the many teams that earn SEA airport it's reputation as a 'mini city' in itself.



Joining the Civic Engagement cohort is an opportunity to actively participate in shaping the relationship between the Port and its neighboring communities. You'll work with various teams to contribute to the strategic planning process and participate in community events, allowing you to directly interact with residents and stakeholders.

Workshops



Branding & Communications

Equity, Diversity, & Inclusion

Financial Literacy

Interviewing

Informational Interviewing

LinkedIn

PowerPoint

Professionalism

Project Management

Public Speaking

Resumes

Stress Management

Workplace Conflicts and Collaboration

Community Partner Engagement



Supports youth living in “very low” equity zip codes, as defined by Equity index



Provides youth with ongoing support and wrap around services



Offers youth career development training



Has demonstrated commitment to anti-racism and equity, diversity and inclusion



Able to assist with recruitment and selection of interns



Is a community-based organization or school

OUTREACH



101 community partner connections



66 youth events attended

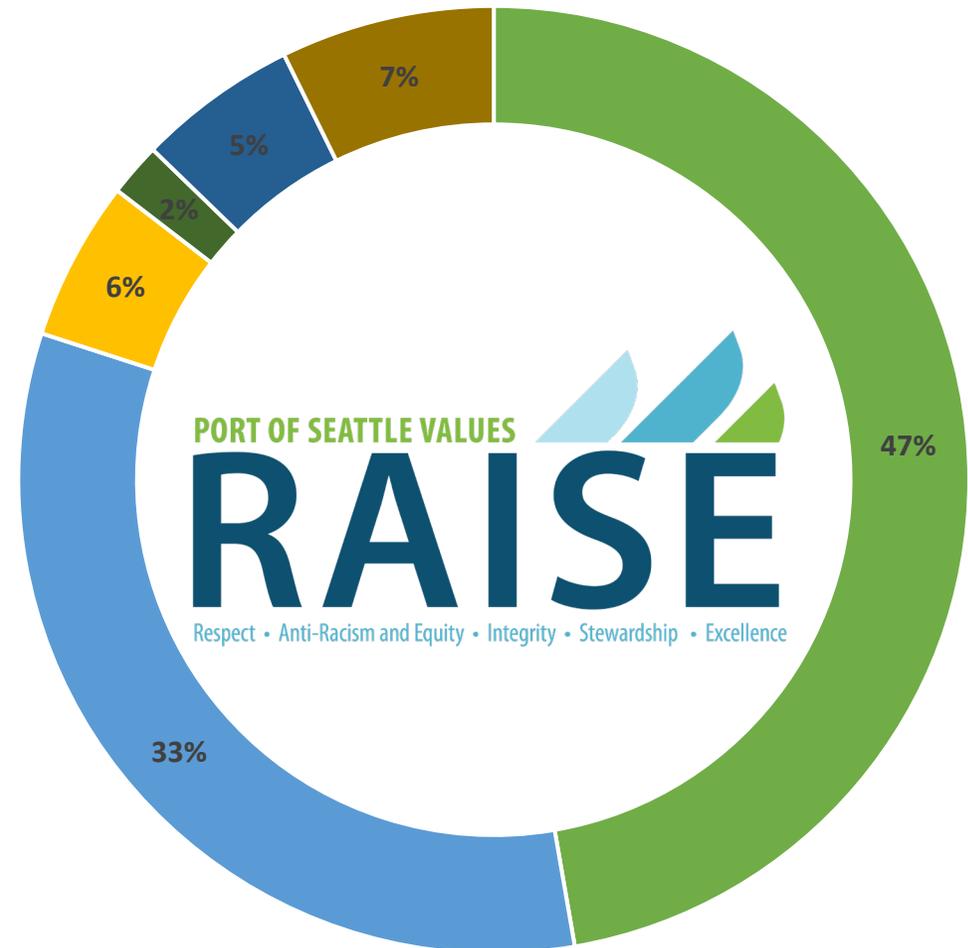


23 youth focused information sessions/tours



COMMUNITIES SERVED

2025 H.S Interns - King County Equity Index



■ Very Low ■ Low ■ High ■ Very High ■ Outside King County ■ Unknown

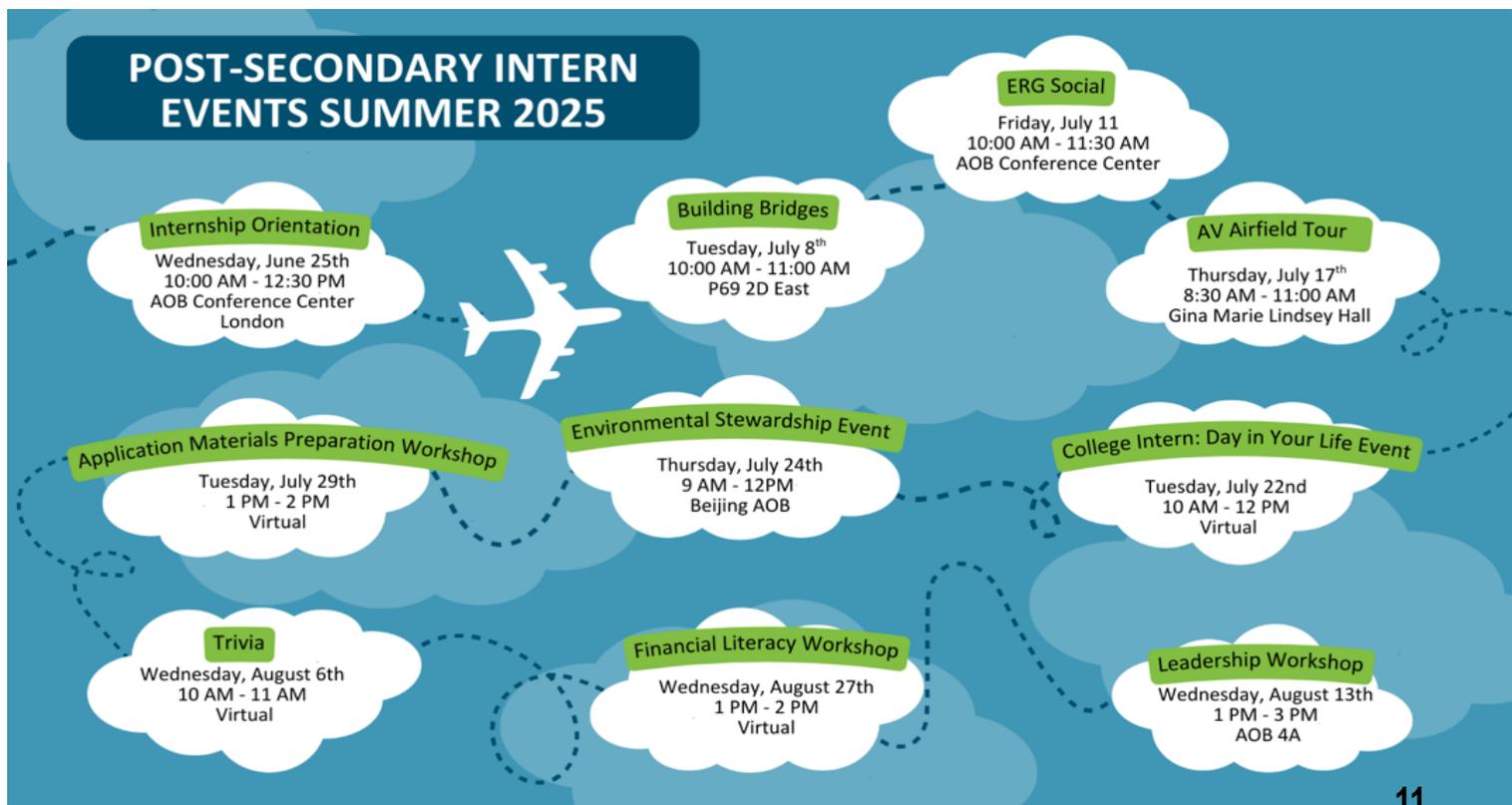
HS PROGRAM IMPACTS

Survey Outcomes: High School



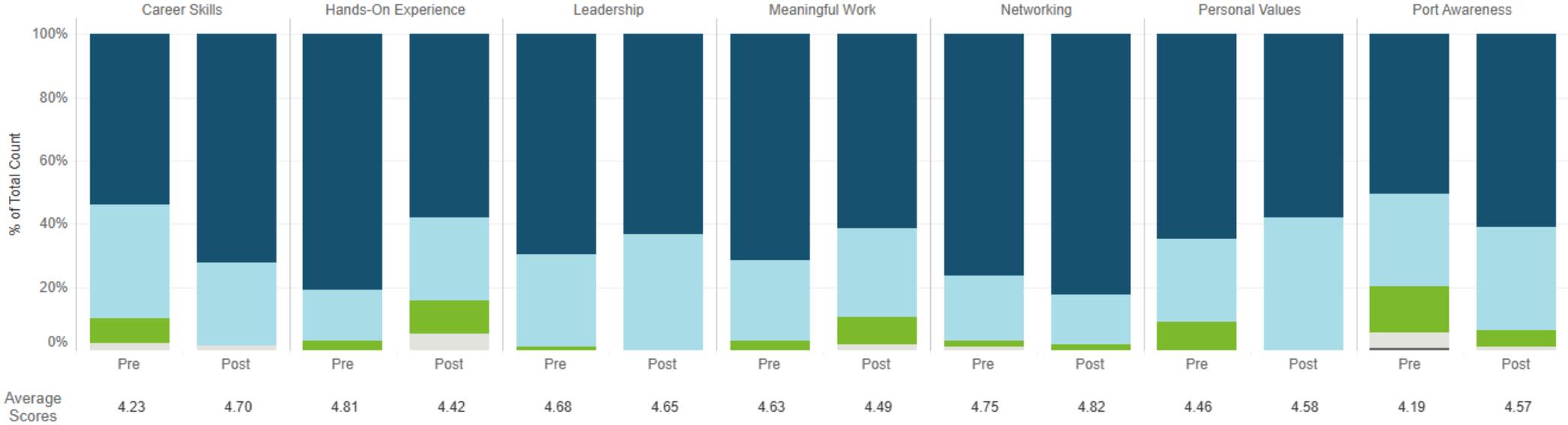
POST-SECONDARY PROGRAM

- 64 Post-Secondary opportunities
 - 38 Full-time Summer
 - 26 Year-long (PERS Eligible)
- 31 Participating departments



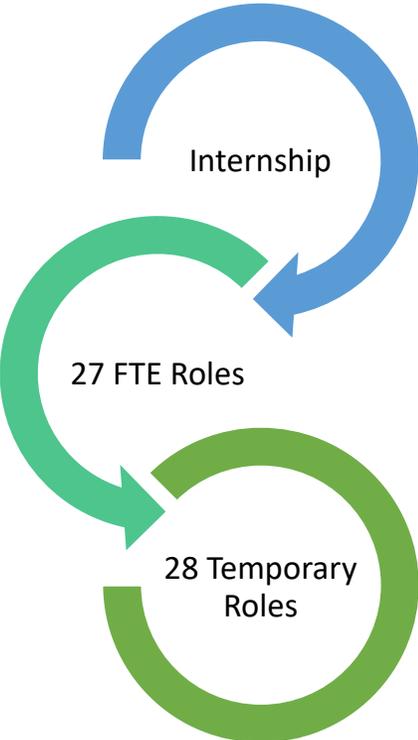
POST-SECONDARY PROGRAM IMPACTS

Survey Outcomes: Post Secondary

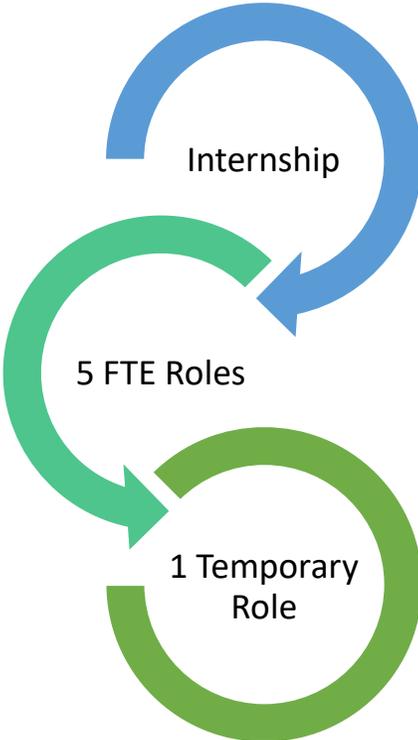


SUCCESSSES

Post-Secondary Interns



High School Interns



*Conversions since 2020

NEW PATHWAY PROGRAM PILOT

New internship-like program to support those who have and continue to experience barriers in pursuing higher education and quality job experience.

Program Focus:

- Open new pathways into work at the Port
Provide work experience and opportunities for development
- Prepare participants to apply for Port roles or other industry-aligned positions
- Create equitable career mobility and wage gain
- Benefit from previously untapped talent

Priority Communities:

- Homeless Individuals
- Immigrants
- Indigenous Groups
- Justice-Involved Individuals
- Low-Income Individuals
- People with Disabilities
- Single Parents
- Veterans

BENEFITS OF PARTICIPATION



Pay aligned to market



Work experience in area of interest



Access to Port of Seattle workshops and development programs



Personalized career planning support

2026 PATHWAY OPPORTUNITIES

Program Opportunities Launching Q2 2026

Aviation
Customer
Service

Human
Resources

Shilshole Bay
Marina

Waterfront
Project
Management

Temporary job placement of 6-12 months

Career mobility without bachelor's degrees

Aligned with Port roles requiring < 2 years
experience

Roles with increased potential of job
openings

Questions/Comments



**COMMISSION
AGENDA MEMORANDUM**

Item No. 11b

BRIEFING ITEM

Date of Meeting March 24, 2026

DATE: March 17, 2026

TO: Stephen P. Metruck, Executive Director

FROM: Bookda Gheisar, Senior Director, Office of Equity, Diversity, and Inclusion
LeAnn Blanco, Civil Rights Program Manager
Jay Doran, Manager, EDI Policy and Communications

SUBJECT: Briefing on the Implementation of the Commission’s Language Access Order (2023-05)

EXECUTIVE SUMMARY

In April 2023, the Port of Seattle Commission adopted Order 2023-05 to advance language access at the Port. The Order directed the Port to develop a language access policy and plan to ensure the inclusion of non-English or limited English speakers, including those who are hard of hearing or deaf, in the use of Port services and facilities; and the Port-wide implementation of a plan directing divisions with public services to offer language assistance, including translation and/or interpretation. The policy makes language access a permanent, ongoing commitment by the Port of Seattle in every department and every division.

The Order identified nine deliverables. The majority of those deliverables were completed by February 2024, including a Port-wide assessment of current practices (involving a review of publicly facing documents, resources, signage, websites, social media sites, and forms); a community survey to determine the types of services and languages most useful to those we serve; and the formation of a Language Access Cohort made up of the departments that are the highest users of language access services.

During a briefing to the Commission in February 2024, the Commission granted a two-year extension to complete the remaining deliverables of the Order. The briefing on March 24, 2026, will report on the progress of the following outstanding deliverables.

1. Language Access Guidance Manual – for department use
2. Multilingual Compensation Policy – for roles that are public-facing, front-line, non-represented, and utilize one of the top identified languages (Phase One)
3. Annual Department Language Access Plans – focusing on goals, implementation, reporting, and budget inclusion

Meeting Date: March 24, 2026

PROGRESS TO DATE

During the past two years, OEDI – in collaboration with Human Resources and the 18 departments represented in the Language Access Cohort – has worked to complete and implement the remaining elements of the Commission’s Language Access Order.

Language Access Guidance Manual

The Language Access Guidance Manual, which was finalized in early 2026, is designed to support Port teams in providing timely and meaningful access to our facilities and services for Limited English Proficient (LEP) persons, as well as effective communication for individuals who are Deaf and speak American Sign Language (ASL). Port teams should strive to provide language assistance services to Limited English Proficient individuals whom they encounter or whenever a Limited English Proficient person requests language assistance services, as well as provide effective communication methods to individuals who are Deaf and speak American Sign Language (ASL). The Guidance Manual provides resources and instructions on everything from requesting interpretation and translation services to developing annual language access plans to guidance outlining the Port's complaint and feedback process.

OEDI performed extensive research on best practices and examples of Language Access Guidance Manuals at other agencies and municipalities, both local and national. We also engaged the Language Access Cohort to revise and fine-tune the content of the Port’s Language Access Guidance Manual. OEDI has begun implementing and sharing the Guidance Manual across the organization, including the creation of a centralized page on Compass, a short instructional video, and engagement with several departments.

Multilingual Compensation Policy

Human Resources and OEDI partnered to create a multilingual compensation model and implementation plan for roles that are public-facing, front-line, non-represented, in phase one of the rollout. To be eligible, an employee must meet the three criteria outlined below.

1. The multilingual compensation will only be available to employees who speak one of the Port’s identified top nine languages – Spanish, Amharic, ASL, Chinese, Japanese, Korean, Somali, Tagalog, and Vietnamese.
2. Employees are eligible if they hold specific positions within the Port. In phase one, these positions are defined as public-facing, front-line, non-represented roles. Using this definition, a handful of positions in both the Aviation and Maritime divisions were identified for the first phase of implementation.
3. Employees must demonstrate language proficiency through an approved verification process with one of the Port’s language access contractors.

It is important to note that applying for multilingual pay is voluntary, and this policy will not displace any employee already in a role identified as eligible for multilingual pay.

Meeting Date: March 24, 2026

During the remainder of 2026, HR and OEDI will be setting up the infrastructure and systems to operationalize this policy with the goal of implementing it at the beginning of 2027.

Annual Department Language Access Plans

At the end of 2025, for the first time in the Port’s history, all departments in the organization were led through a process to develop annual language access goals that will be implemented and tracked throughout 2026. This process was developed and led by the OEDI and the Language Access Cohort, which had experience of doing this in 2024.

At a high-level, the Language Access Cohort developed a tool for departments to assess their language access needs, define goals related to those needs, establish metrics and key performance indicators to measure the progress of those goals, and estimate the budget needed for successful implementation. This process was incorporated into the Port’s annual budgeting and business planning process, and the Language Access Cohort worked with OEDI to audit departments’ submitted plans and provide additional support and guidance to refine plans, as needed. Every department, except 10, established language access goals and a plan to achieve those goals for 2026. The 10 departments that did not create goals are internal-facing departments that provided clear communication about why this work is not relevant to their responsibilities.

ATTACHMENTS TO THIS BRIEFING

- (1) Language Access Guidance Manual
- (2) Presentation slides

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

March 12, 2024 – The Commission authorized an extension of the three outstanding deliverables of Order 2023-05.

April 11, 2023 – The Commission authorized The Language Access Order (2023-05).

An aerial photograph of the Seattle waterfront, showing a long pier extending into the water. Several boats are docked at the pier. In the background, there is a dense urban area with various buildings, including a prominent white tower with a circular observation deck (the Space Needle). The sky is clear and blue.

LANGUAGE ACCESS GUIDANCE MANUAL

PREPARED BY THE OFFICE OF EQUITY, DIVERSITY, & INCLUSION

Using This Guide and Why It Matters

The Port of Seattle’s Language Access Guidance Manual was developed in partnership by the Office of Equity, Diversity, and Inclusion (OEDI), External Relations (ER), and the Language Access Cohort. The content for the guidance manual was created by gathering data from the Language Access Cohort and documenting Port-specific practices, in addition to researching national best practices.

This Guidance Manual is designed to support Port teams in providing timely and meaningful access to our facilities and services for Limited English Proficient (LEP) persons, as well as effective communication for individuals who are Deaf and speak American Sign Language (ASL). Port teams should strive to provide language assistance services to Limited English Proficient individuals whom they encounter or whenever a Limited English Proficient person requests language assistance services, as well as provide effective communication methods to individuals who are Deaf and speak American Sign Language (ASL).

This guidance manual is to be used in conjunction with the Department Language Access Plan Template. This template and guidance manual are designed to support each department in building a strong, intentional foundation for delivering effective language access services.

Quick Reference Guide

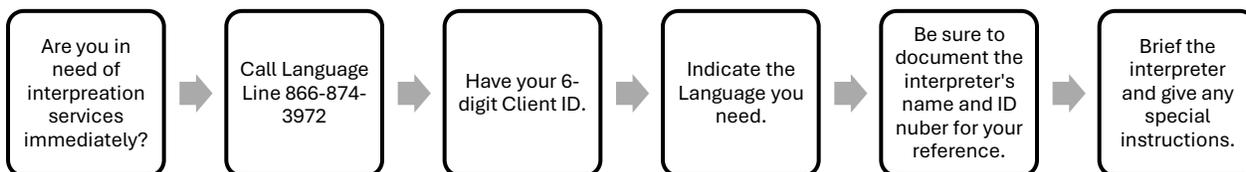
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Appendix F: Complaint Form and Flow Chart	21

Need Help?

Contact the Civil Rights Program Manager: blanco.l@portseattle.org | 206-867-1293

Request Now: Interpretation | Translation

How to request **on demand interpretation** (spoken word) services:

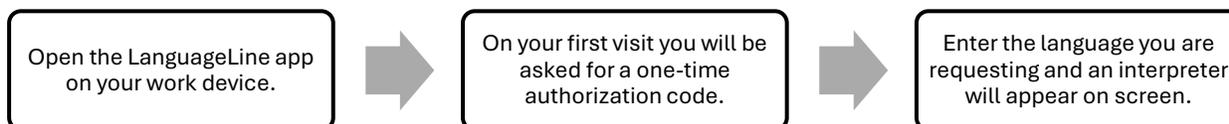


**If you do not have a department client ID, please use:
Central Services Non-Emergency Client ID: 663666**

Department	Client ID
AV Landside Operations – OPI <i>(Example: Parking services)</i>	652627
Central Procurement Office – OPI	659158
Central Procurement Office – VRI	659159
External Relations – OPI	710304
External Relations – VRI	710305
Legal Aid Attorneys – OPI	655158
Legal Aid Attorneys – VRI	655159
Legal Department – OPI	657517
Legal Department – VRI	657518
Port of Seattle Fire Dept - OPI	663827
Port of Seattle Fire Dept - VRI	663829
Port of Seattle Police Dept – OPI	143009
Sea Tac Intl Air – OPI <i>(Example: Customer service, Pathfinders, CBP)</i>	543400
Sea Tac Intl Air Insight – VRI <i>(Example: Customer service, Pathfinders, CBP)</i>	577717

VRI = Video Remote Interpretation **OPI** = Over the Phone Interpretation

How to request **video** (video remote interpretation) services:



How to request **scheduled interpretation** (spoken word) services:



How to request **translation** (written materials) services:



Links: [Interpretation | Translation Request Form](#) | [Interpretation | Translation Request Email Template](#)

Need Help?

Contact the Civil Rights Program Manager: blanco.l@portseattle.org | 206-867-1293

Key Contacts and Resource Directory

This directory provides staff and partners with a one-stop reference for the Port of Seattle’s Language Access Services. It should be reviewed and updated annually by the Office of Equity, Diversity, & Inclusion (OEDI) and department Language Access Leads.

Internal Contacts			
Area/Function	Contact Name & Title	Email / Phone	Responsibility / Support Provided
Language Access Coordinator / Civil Rights Program Manager	LeAnn Blanco, Civil Rights Program Manager	Blanco.l@portseattle.org	Language Access Anti-Human Trafficking Civil Rights (Title VI)
OEDI Manager Policy/Comms	Jay Doran, Manger Policy and Communications	Doran.J@portseattle.org	OEDI Policy and Communications
Contracted Language Access Vendors			
Service Type	Vendor / Provider	Access Method	Notes / Availability
Telephonic Interpretation	Language Line	Phone, Tablet, App, etc.	SEA, Customer Service, Available upon request
Video Remote Interpretation	Fluentalk	Tablet	SEA Volunteers Only
Document Translation Services	Universal Language	Contact OEDI – Fill out Request: Interpretation Translation Request Form	All Port of Seattle
Sign Language / Deaf and Hard of Hearing Services	Currently under procurement		
Braille	Pilot in Progress		
Community & Outreach Partners			
Organization	Language / Community Served	Contract Information	Role / Partnership Purpose
Washington State School for the Blind/Ogden Resource Center	Visually Impaired Community	N/A	Braille services
Emergency and Accessibility Resources			
Resource	Contact / Link	Purpose	Use Case
Emergency Interpretation Support	Interpretation and Language Services Port of Seattle	Interpretation Services	SEA
ADA Coordinator	Candace Field	Title II (ADA)	Accessibility
TTY / Relay Service (Washington Relay 711)	Dial 711	Telephone access for Deaf or hard-of-hearing customers.	

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Annual Department Language Access Plan & Evaluation Template

Every department must complete and submit an Annual Language Access Plan to the Office of Equity, Diversity, and Inclusion (OEDI). This plan documents goals, implementation activities, and performance indicators aligned with the Port’s enterprise-wide Language Access Program.

The purpose of the Language Access Plan is to establish measurable, annual goals that advance meaningful language access, and to monitor compliance, effectiveness, and equity outcomes across departments.

Instructions for Departments

Complete the Language Access Plan as part of your department’s annual business planning process. Submit to the Civil Rights Program Manager for review and compilation into the Port-wide Annual Language Access Report.

Section	Description / What to Include
Department Overview	Program description, primary public-facing services, contact for Language Access Lead/Liaison
LEP Population Summary	Top languages served, frequency of contact, data sources.
Annual Language Access Goals	3-5 SMARTIE goals (Specific, Measurable, Achievable, Relevant, Time-bound, Inclusive, Equitable)
Key Activities / Strategies	Planned actions: translation updates, staff training, signage, outreach partnerships
Monitoring and Evaluation Metrics	Quantitative and qualitative indicators: # of interpreters used, # of translated documents, customer feedback results.
Resource / Budget Needs	Funding, staffing, or technology required to achieve goals
Evaluation Summary (End of Year)	Actual outcomes vs. goals, lessons learned, recommendations for next cycle.

Language Access Plan Department Template: [Appendix D: Annual Language Access Plan, Goals, and Evaluation Template](#)

Need Help?

Contact the Civil Rights Program Manager: blanco.l@portseattle.org | 206-867-1293

Most Common Languages at The Port of Seattle

Across the Port, certain languages appear more frequently. At the same time, language needs vary by department and facility. This means each team should consider both the system-wide languages commonly encountered and the languages most relevant to their own customer-facing environment when determining translation and interpretation needs.

Port of Seattle – Languages Identified in Assessment (2024)

Tier 1	Spanish			
Tier 2	Vietnamese	Somali	Korean	Amharic
	Chinese	Japanese	American Sign Language	Tagalog

To view additional languages used throughout the Port, visit: [LanguageAccessAssesment_March-2024--1-](#)

Consistent with Title VI requirements, the Port has adopted a tiered translation framework (Tiers 1-3) to guide decisions about written translation. This framework is intended to help departments assess language needs and apply language services in a manner appropriate to their operational context.

Tier	What This Means in Practice	Common Signs	Type of Documents
1 – Translation Required	You see/hear this language often, and people who speak it regularly use your services.	<ul style="list-style-type: none"> This is one of the top languages used by our customers Staff frequently receive requests for interpretation in this language This language appears often in customer data, feedback, or complaints Lack of translation would clearly limit access or create risk 	Safety; rights, eligibility, legal notices, critical customer instructions
2 – Translation Recommended	You see/hear this language sometimes, or in specific situations, and translation would meaningfully improve access.	<ul style="list-style-type: none"> Requests for this language are regular but not constant Usage may be seasonal, location-specific, or program-specific Interpretation is often used instead of written translation Translation helps people understand services but is not always critical 	Program info, standard customer service materials: Travel alerts Service changes Accessibility info
3 – Translation Encouraged	You see/hear this language occasionally or rarely but offering translation can still be welcoming or inclusive.	<ul style="list-style-type: none"> Few documented requests for this language Contact is infrequent or one-time Language groups are small or emerging Translation improves inclusion but is not required for access 	Outreach or engagement materials

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Language Access Services

The Port of Seattle provides a variety of language assistance services to ensure equitable participation in Port activities and communications. These services are available to any member of the public who requests or appears to need assistance in a language other than English.

Language assistance is a shared responsibility: every department with public-facing programs must implement and maintain language assistance resources in accordance with this guidance and the Port’s enterprise-wide Language Access Order.

Service Type	Description	When to Use / Application	Examples / Common Tools
Onsite Interpretation (In-Person)	A qualified interpreter is physically present to facilitate real-time spoken communication between staff and LEP individual.	Complex, sensitive, or high-risk interactions Safety, enforcement, emergencies, or legal matters Public meetings, hearings, or community forums	Contracted in-person interpreters Certified interpreters (medical, legal, or conference) Sign language interpreters
Telephonic Interpretation	Interpretation provided by phone, allowing immediate access to an interpreter without physical presence.	Immediate or unscheduled needs Short interactions Call centers, customer service lines	Language Line
Video Remote Interpretation (VRI)	Interpretation delivered via video platform, allowing visual connection between interpreter and participants.	When in-person interpretation is not feasible Situations where visual cues improve accuracy Deaf or hard-of-hearing individuals using sign-language	VRI platform Tablets, iPad, or laptop with camera Secure video conferencing tools
Bilingual Staff Assistance	Staff who are assessed and authorized to provide language assistance as part of their job duties.	Routine, non-complex interactions Customer service or information-sharing Not for complex, legal, or high-risk communications unless formally qualified	Authorized bilingual staff lists
Documentation Translation	Conversion of written materials from English into another language to ensure equal access to information.	Vital documents	Professional translation vendors
Digital Communication (Web, Text, Email, Apps)	Digital Accessibility Library		

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Interpretation (Spoken or Signed)

The Port requires that all interpreters – whether staff or contracted – be qualified and competent to provide accurate, impartial, and confidential language services.

Standards include:

- Demonstrated proficiency in English and the targeted language
- Knowledge of industry-specific terminology in one of the top nine Port languages
- Role must be public-facing, frontline customer service

Interpretation Coordination A Checklist for Port Departments Best Practices to Integrate Interpretation into Your Event Planning

1. Plan and staff your event with your intended audience in mind

- When preparing your event, plan the appropriate logistics and staffing that will be needed for interpretation to go as smoothly as possible.

Start by doing the following:

- Identify your Limited English Proficient (LEP) audience's points of participation and communication flow
- Identify how many interpreters are needed per language

2. Prepare in-language outreach materials

- Outreach materials should be translated in the target language(s) of your audience.
- Materials should include event and contact information, such as access information (virtual/remote) or address and location.

3. Create Interpreter Information Packet

- Send any relevant information to the interpreters as early as possible in advance of the event.

For example:

- Event details, including point of contact for interpreters, venue access, and check-in instructions.
- Agenda, program, and run of show
- Event materials, presentations, websites, scripts, or planned talking points
- Post-related language glossaries if available, for term consistency
- Copies of in-language outreach materials used to promote the event

4. Meet with interpreters before your event

IN PERSON EVENTS

- Schedule interpreters to arrive early to go over the program.
- Designate support staff for equipment distribution and collection.
- Test equipment for clear signals (Tablets, Phones, etc.)
- Coordinate with interpreters to ensure they are positioned where they can hear and will not interfere with each other
- Remind event participants to speak slowly to allow for the best interpretation possible

VIRTUAL EVENTS

- Schedule a virtual run-through to ensure smooth transitions.
- Test interpreters' connectivity, access, and signal clarity
- Establish lines of communication among interpreters, tech monitors, and event organizers/moderators
- Work with interpreters to coordinate:
 - In what order the interpreters will speak
 - How interpreters will signal transitions
- Remind event participations to speak slowly to allow or the best interpretation possible

5. Follow up after the event and discuss lessons

- Identify lessons learned from your event to support future planning.

For example:

- Take note of what worked well to establish future protocols
- If you host future events on the same subject matter, consider creatin a language or term glossary
- Provide space for feedback and suggestions on improving coordination

Need Help?

Contact the Civil Rights Program Manager: blanco.l@portseattle.org | 206-867-1293

Translation (Written)

Translation services provided by vendors or contractors should follow a two-step quality review process, consistent with recognized industry standards (such as ISO 17100). This includes translation by a qualified linguist and independent review by a second qualified linguist prior to delivery.

Vendors and contractors remain responsible for the accuracy, completeness, and appropriateness of translated materials provided to the Port.

Pre-Translation Quality Assurance Checklist

Review this checklist before you send your English-language document to be translated.

- Check that your document uses the **plainest language**¹ possible
 - **Clear & Simple**
 - Avoid puns, wordplay, or legal/industry jargon
 - **Purpose Is Obvious**
 - The reader can easily understand what this is, why it matters, and what they need to do.
 - **Final & Ready**
 - The content is complete and will not change after translation.

- Double check all key information, like phone numbers, links, dates and times.
 - Best practice: Use a month's name rather than a numeral to avoid confusion
 - Best practice: Make sure links lead to translated content
 - Best practice: If you choose to translate an agency name, consider also providing the English name or acronym so the audience can web search or ask for directions

- Include a context statement to the translator that describes the purpose of the document, the audience, and any other information that can help orient their work.
 - Remember the translator may be unfamiliar with your community and/or operations in your organization.

¹ [Order No. 2025-02](#)

Need Help?
Contact the Civil Rights Program Manager: blanco.l@portseattle.org | 206-867-1293

Interpretation | Translation Request Process

This process streamlines how departments request interpretation and/or translation services through the Port of Seattle’s, Office of Equity, Diversity, and Inclusion (OEDI).

1. Fill out a request form either online or copy and paste the template below into an email.
 - a. [Interpretation | Translation Request Form](#)
2. Once submitted either online or via email, the Civil Rights Program Manager will commence the request with the vendor.
 - a. All parties will be cc’d on all communications with vendors for accountability and transparency.
3. Expected a 24-hour turnaround time for a response from the vendor. The response will include: Project Number, Word Count, and a Quote.
4. Once the quote is approved by the appropriate parties, the Civil Rights Program Manager will communicate the approval to proceed with the request.

Deliverables will be delivered in electronic format in the format in which the submission was received (Word, Pdf, etc.).

Interpretation | Translation Request Email Template

Project Name or Event Name: _____

Requestor Information (Name of person submitting): _____

Specify what language service is needed: Interpretation Translation Both

Purpose or Intended Use: Web Content Public Meeting Emergency Safety Other

Request Priority: Standard (10-15 Business Days) Expedited (5 Business Days)
 Emergency (24-48 hrs. – Manager Approval Required)

List Languages Requested:

Request Deadline (Date when deliverable is required): _____

Has this request received approval from the necessary parties? (supervisors, directors, legal, etc.) Yes No Not Applicable

Budget Allocation:

- Requestor Dept. has budgeted for this request.
 Need OEDI to provide funding for this request.

Need Help?

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Language Access Training

Language access is not just a compliance obligation; it is a core competency that advances the Port’s mission of equitable service delivery. Training and professional development are therefore essential to embedding language accessibility as a standard part of customer service, community engagement, and civil rights compliance across all departments.

Following foundational Lunch-and-Learns, micro-learnings will provide short, targeted learning opportunities that build awareness, reinforce key concepts, and support practical application of the Language Access Guidance Manual across Port departments.

Roles and Responsibilities for Training Oversight	
Role	Responsibility
Office of Equity, Diversity & Inclusion (OEDI)	Develops standardized training content; monitors compliance; analyzes completion data; reports annually
Directors / Managers	Ensure staff complete required training within required timelines.
Language Access Leads	Coordinate department-level training needs; support tracking and follow-up
Human Resources / Learning & Development	Maintains LMS records and supports reporting.

Language Access Training Details

Training Topic	Audience	Learning Objectives	Intended Outcome	Title VI / Compliance Alignment
Introduction to Language Access Guidance Manual	All employees	Understand why language access matters and how it supports equitable service delivery	Shared baseline awareness of language access purpose and scope	Establish baseline understanding of nondiscrimination obligations for LEP individuals
Who Needs Language Access Services	Customer-facing roles	Identify LEP populations and when language assistance is needed	Improved identification of language assistance needs	Reinforces obligation to provide meaningful access to LEP individuals
Vital vs. Non-Vital Communication	All Employees creating public-facing content	Distinguish between vital and non-vital information	Reduced risk of Title VI violations	Prioritizes translation of critical information impacting access to services
Interpretation Options & Tools	Customer-facing staff	Understand interpretation modalities and appropriate use	Increased effective communication with LEP customers	Supports timely access to oral language assistance
Requesting Language Services	All employees	Learn how to request translation and interpretation services	Faster and more accurate service requests	Supports consistent implementation of language access procedures

All training will be accessible through our Learning Management System.

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Public Communication and Outreach

The Port will ensure that the public, particularly limited English proficient (LEP) community members, receive timely, accurate, and accessible information about Port programs, services, and opportunities.

Port Statement on Language Services

Language assistance services – interpretation, translation, and communication access – are provided free of charge to any member of the public. At no time shall a person be denied, delayed, or charged for services because of language or communication barriers. All Staff must communicate this guarantee clearly and respectfully to ensure trust and equitable access.

Required Public Notices

Language Access Statement: Include the following statement in all public-facing materials, websites, and signage: “Free language assistance services are available. Please ask any Port staff member for help.”

Posting Locations: Display multilingual notices at customer-service counters, ferry/cruise terminals, meeting venues, public hearings, and Port websites.

Translation of Key Notices: Translation of vital information, such as safety alerts, meeting announcements, complaint rights, and major service changes, into priority languages identified through the Port Language Access Assessment² (Four-Factor Analysis).

Digital Accessibility: Ensure that online materials meet ADA Title II.

Community Engagement and Partnerships

Collaborate with community-based organizations (CBOs) serving LEP and immigrant/refugee populations for message distribution, interpretation at outreach events, and feedback collection.

- Conduct listening sessions or focus groups at least once every two years to gather input on language-access effectiveness.
- Work with Port Communications and OEDI to develop multi-lingual communication plans for major capital projects or policy initiatives.

Messaging Standards

- Use plain language and culturally responsive visuals.
- Avoid acronyms or technical jargon when possible.
- Validate translations for accuracy and tone with trusted community reviewers before publication.

² [LanguageAccessAssesment_March 2024.pdf](#)

Need Help?

Contact the Civil Rights Program Manager: blanco.l@portseattle.org | 206-867-1293

Complaint and Feedback Process

This process is to ensure that all members, including individuals with limited English proficiency (LEP), can easily provide feedback or file complaints regarding language access, and that each concern is addressed promptly, respectfully and in compliance with federal and Port policies. The following will provide clear guidance for the public and staff to raise concerns about:

- Delay of interpreter or translation services
- Lack of accessible information in preferred languages
- General feedback on the quality or effectiveness of language access services across the Port

How to Submit a Complaint or Feedback

Method	Instruction
By Phone	Title VI Coordinator (206) 787-4156
By Email or Online Form	TitleSixCoordinator@PortSeattle.org Printable form: TitleVI-Complaint-form_012024.pdf Online Form: Title VI Coordinator’s Office Complaint Form Port of Seattle
By Mail	OEDI Title VI Coordinator P.O. Box 1209 Seattle, WA 98111

Complaint Resolution Process

Step	Action	Responsible Party	Timeline
Intake & Acknowledgement	Complaint or feedback is received, logged, and acknowledged (in the complainant’s language when feasible)	Title VI Coordinator Manger EDI Policy & Comms Civil Rights Program Manager	Acknowledge within 5-10 business days
Review & Investigation	Review complaint details, interview involved staff if needed and determine whether a Title VI or policy violation occurred.	OEDI + Department Lead + EEO + Professional Standards + Legal if applicable	Initial Review: 10-15 days Investigation: 30-60 days
Response & Resolution	Provide written response outlining findings and corrective actions. Offer translated summary if requested.	Title VI Coordinator Manger EDI Policy & Comms Civil Rights Program Manager EEO Professional Standards	Resolution: 60-90 days
Follow-Up & Tracking	Log outcome and identify trends for improvement.	OEDI	

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Internal Review and Escalation

To ensure accountability and continuous improvement within Port operations, this structured process will allow staff and leadership to review, analyze, and correct issues related to language access implementation, whether discovered through:

Step	Action	Responsible Party	Timeframe
Issue Identification	A potential language-access issue identified (e.g., repeated complaints, missing translations, noncompliance by vendor)	Staff, Language Access Lead/Liaison, or OEDI	As needed
Preliminary Review	The Language Access Lead/Liaison confirms facts, gathers documentation, and reports the issue to the Department Director and OEDI.	Department Language Access Lead/Liaison	Within 5 business days
Formal Escalation	If the issue involves a potential Title VI violation, failure to provide services, or resource gap affecting multiple customers, it is formally escalated to the OEDI Director and Legal Department.	OEDI + Legal	Within 10 business days
Corrective Action Plan	OEDI and Department Leadership develop a written plan outlining root cause, corrective steps, timeline, and responsible persons	OEDI + Department Director	Within 30 business days
Monitoring & Closure	Progress is tracked quarterly until resolved; lessons learned shared with Language Access Workgroup	OEDI	Ongoing

Continuous Improvement, Monitoring, & Evaluation

In alignment with [Commission Order 2023-05](#), the Port of Seattle recognizes language access as a continuous practice that requires regular monitoring, evaluation, and refinement. By reviewing data, training outcomes, service usage, and community feedback, the Port will identify gaps, strengthen practices, and adapt to changing needs. This commitment to continuous improvement ensures sustained compliance with Title VI while advancing equitable, inclusive, and accessible services for all communities.

Need Help?

Contact the Civil Rights Program Manager: blanco.l@portseattle.org | 206-867-1293

Appendices & Implementation Tools

Appendix A: Key Definitions and Acronyms

Word	Definition
ADA Title II (Effective Communication)	Requires state and local governments to ensure effective communication with individuals with disabilities, including those who are Deaf, hard of hearing or have speech impairments.
Bilingual Staff / Designated Bilingual Position	An employee officially approved and qualified to use another language as part of their regular job duties to assist LEP customers. Proficiency should be verified and documented through assessment.
CBO (Community-Based Organization)	A nonprofit or grassroots group that represents and provides services to a specific linguistic, cultural, or geographic community; often engaged as partners for outreach or feedback.
Complaint	A formal expression of dissatisfaction alleging that an individual or group was denied language access or discriminated against based on national origin, in violation of Title VI or Port policy.
Cultural Competence	The ability of staff, systems, and organizations to understand, respect, and effectively respond to the cultural and linguistic needs of diverse populations. It includes awareness of one's own biases and commitment to continuous learning.
Cultural Responsiveness	The active practice adapting services, communication, and engagement strategies so they align with the cultural values, communication styles, and expectations of the people being served.
DOT (Department of Transportation)	Federal agency that provides Title VI and LEP compliance oversight for transportation entities, including ports and airports.
Equity	Fair treatment, access, opportunities, and advancement for all people while striving to identify and eliminate barriers that have prevented the full participation of historically oppressed communities. Improving equity involves increasing justice and fairness within institutions and systems and ensuring fair and intentional distribution of resources.
Essential Public Information / Vital Documents	As per the executive Order, "Essential Public Information" is any information developed or used by the department and deemed vital for purposes of public safety, public health and economic development. This term is used interchangeably with the term "vital documents".
Executive Order	
Four-Factor Analysis	The Title VI-required assessment process used to determine language-access obligations by examining: Number/proportion of LEP people served or likely to be encountered. Frequency of contact Nature and importance of the service; and Available resources and costs.
Interpretation	The oral rendering of speech from one language to another in real time (e.g., in-person, telephonic, or video-remote interpretation). Interpretation = spoken.
Language Access	The provision of oral and written communication assistance, such as interpretation and translation, enables LEP individuals to have meaningful access to a program, service, or activity.
Language Access Coordinator	A senior staff member who will be responsible for policy compliance and implementation of the language access plan.
Language Access Lead / Liaison	A department-level contact is responsible for implementing language-access practices, completing annual plans, liaising with OEDI, and monitoring compliance within their department.
Language Access Plan	A written plan outlines how a department or program will provide language assistance, monitor effectiveness, and achieve annual goals for meaningful access.
LEP (Limited English Proficient Individual)	A person who does not speak English as their primary language and who has a limited ability to read, speak, write, or understand English. (Title VI and Executive Order)
LEP Threshold	The quantitative benchmark that determines when translation or interpretation is required for a given language group. (e.g., 5 % or 1,000 individuals, whichever is less, of the eligible service population).

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Meaningful Access	Access is accurate, timely, and effective in enabling LEP persons to fully participate in or benefit from Port services, activities, or information. Meaningful access is the compliance standard under Title VI.
Monitoring and Evaluation	The ongoing process of collecting, analyzing, and reporting data on language-access implementation to ensure continuous improvement and compliance with federal and Port policies.
No-Cost Guarantee	A Port commitment that interpretation and translation services are provided free of charge to LEP or Deaf/hard-of-hearing individuals.
OEDI (Office of Equity, Diversity, and Inclusion)	The Port office responsible for overseeing implementation of equity and language-access initiatives, training, monitoring, and compliance reporting.
Qualified Interpreter	An individual who demonstrates proficiency in both English and the target language, understands industry-specific terminology, and adheres to confidentiality and professional-ethics standards. Family members, friends, or minors must not be used except in emergencies.
Target Audience	The specific group(s) of community members or stakeholders for whom information, communication, or outreach is intended, defined by language, geography, or service use.
Title VI of the Civil Rights Act of 1964	Federal law prohibiting discrimination based on race, color, or national origin in any program or activity receiving federal financial assistance. (42 U.S.C. § 2000d et seq.)
Translation	The written conversation of text from one language into another while preserving meaning, accuracy, and cultural appropriateness. Translation = written.
Vital vs. Non-Vital Communication	Vital: Information that is critical for an individual to safety, effectively, or legally access, use, or participate in a program, service, facility, or activity. Non-Vital: Information or promotional materials that enhance understanding but are not critical to access or participation.
Vital Documents	A specific type of vital communication. Vital documents are any written materials that contain information critical to obtaining meaningful access to a program, service, activity, or facility. Example of Vital Documents <ul style="list-style-type: none"> • Consent forms • Complaint forms or Title VI/Title II notices • Applications for services or permits • Safety instructions and wayfinding • Eligibility criteria or program rules • Notices of rights, responsibilities, or deadlines • Instructions for accessing or navigating port services • Multilingual signage that directs behavior or ensures safety

Need Help?

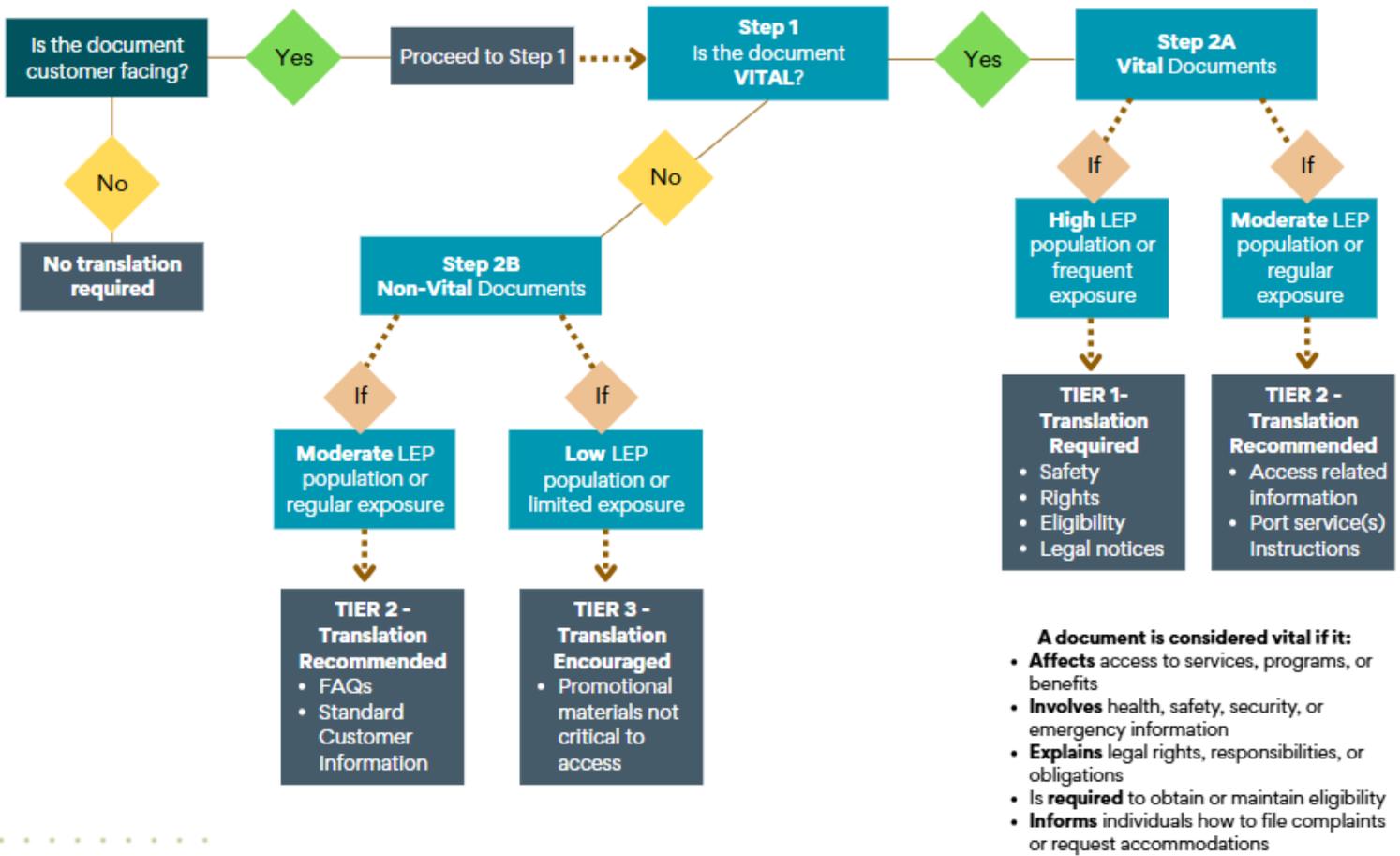
Contact the Civil Rights Program Manager: blanco.l@portseattle.org | 206-867-1293

Appendix B: Vital vs. Non-Vital Documents

Translation Decision Tree

Vital vs Non-Vital Documents

TIERED TRANSLATION RECOMMENDATIONS



A document is considered vital if it:

- **Affects** access to services, programs, or benefits
- **Involves** health, safety, security, or emergency information
- **Explains** legal rights, responsibilities, or obligations
- Is **required** to obtain or maintain eligibility
- **Informs** individuals how to file complaints or request accommodations

Need Help?

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Appendix C: Title VI and LEP Legal References

Federal Statutes		
Law/Regulation	Citation	Description / Relevance
Title VI of the Civil Rights Act of 1964	42 U.S.C. § 2000d et seq.	Prohibits discrimination based on race, color, or national origin in any program or activity receiving federal financial assistance. Language barriers that exclude or delay access for LEP persons constitute national-origin discrimination.
Section 504 of the Rehabilitation Act of 1973	29 U.S.C. § 794	Prohibits discrimination based on disability in federally assisted programs and activities. Includes communication accessibility obligations that complement language-access duties.
American with Disabilities Act (ADA) – Title II	42 U.S.C. § 12131 et seq. and 28 C.F.R. Part 35	Requires state and local government entities to ensure effective communication for people with disabilities (e.g. Deaf/hard of hearing, speech impairments). Often referenced alongside language-access requirements.
Civil Rights Restoration Act of 1987	Pub. L. No. 100-259	Clarifies that Title VI covers all operations of a recipient organization, not only the federally funded program.
Federal Implementing Regulations and Guidance		
Agency / Document	Citation / Year	Purpose / Relevance
U.S Department of Transportation (DOT) – Title VI Regulations	49 C.F.R Part 21	Implements Title VI within DOT and all funding recipients (includes ports, airports, and transportation programs).
DOT – Policy Guidance Concerning Recipients’ Responsibilities to Limited English Proficient (LEP) Persons	70 Fed. Reg. 74087 (Dec. 14, 2005)	Defines the Four-Factor Analysis and best practices for providing meaningful access for LEP individuals.
Federal Aviation Administration (FAA) – Nondiscrimination Compliance Program	FAA Order 1400.11 (2017)	Directs airports / aviation recipients to implement title VI, Section 504, and LEP requirements, including annual certification and complaint procedures.
U.S Department of Justice – Title VI Legal Manual, Section IX: Limited English Proficiency	Updated 2023	DOJ’s authoritative interpretation of Title VI as it applies to LEP populations; includes examples of complaint and non-compliant practices.
Washington State and Local Authorities		
Authority	Citation / Reference	Relevance
Washington State Law Against Discrimination (WLAD)	RCW 49.60	Prohibits discrimination in employment, housing, and public accommodations; reinforces Title VI standards at the state level.
Office Financial Management (OFM) State Language Access Directive	OFM Directive 22-01 (2022)	Establishes statewide expectations for language access and translation in executive agencies.
Port of Seattle Commission Order 2023-05 – Removing Barriers Through Language Access	Adopted April 2023	Formally commits the Port of Seattle to enterprise-wide language access, including annual department plans and equity-centered implementation.

Need Help?

Contact the Civil Rights Program Manager: blanco.l@portseattle.org | 206-867-1293

Appendix D: Non-Verbal Communication Card Samples

(For more information contact: Candace Fields, AV F&I Accessibility Program Manager)

Communication Card

SEA Access

Communication

The best way to communicate with me is...

Gesture Lip Reading Writing

Documents

Which document would you like me to present?

Passport Boarding Pass Drivers License ID Card

mm dd yyyy

1 2 3
7 8 9
4 5 6
0 00 000

Screening

No Metal Detector No A.I.T. No Facial Recognition

My preferred screening method is...

Metal Detector A.I.T.

Pat Down Private Screening

Yes No

TSA

Communication Card

SEA Access

Communication

The best way to communicate with me is...

Gesture Lip Reading Writing Translation

Yes No

Where is...?

I would like a map.

Baggage Claim Ground Transportation Light Rail

Retail Restaurants Vending Airline Customer Desk

Nursing Suite Service Animal Relief Area Water Station Restrooms Sensory Room Prayer Room

A B C D N S

CUSTOMER SERVICE FRONT

SEA Access

Yes No

The best way to communicate with me is...

Gesture Lip Reading Writing Translation

Personal medical information

Epipen Medication Pacemaker

PAIN LEVEL

1 2 3 4 5 6 7 8 9 10

Where does it hurt?

FRONT BACK

Need Help?

Contact the Civil Rights Program Manager: blanco.l@portseattle.org | 206-867-1293

Appendix E: Annual Language Access Plan, Goals, and Evaluation Template

Port of Seattle - Language Access Plan for Departments

Purpose: This Language Access Planning document is required for each of the 18 high usage departments. This form should be filled out in collaboration with the department’s Language Access Cohort representative, your department lead/Director, and input from team members on annual activities planned. This document will be used to guide each Port of Seattle department in setting annual language access goals, monitoring implementation, and evaluating progress toward Title VI and equity compliance.

Instructions: Complete this plan annually by January 31 and submit it to the OEDI Civil Rights Program Manager. Attach any supporting documentation, including but not limited to: Four-Factor Analysis worksheet, LEP statistics, or community feedback. OEDI will compile results for the Port-wide Annual Language Access Report.

Department Information

Department	
Dept. Lead	
Language Access Lead / Liaison	
Reporting Year	
Date Submitted	
Reviewer (OEDI)	

Section A – Department Overview

Describe your department’s primary programs, services, or public contact points: (e.g., airport terminal operations, maritime customer service, community outreach, job postings, permitting, public meetings)

--

Section B – Limited English Proficient (LEP) Population Summary

Data Point	Information
Top 3 Languages Served	
Data Sources Used (e.g., customer logs, surveys, etc.)	
Estimated % or # of LEP Customers	
Frequency of LEP Contact (Daily / Weekly / Monthly / Seasonal)	
Identified Community Partners Serving LEP Populations	

Section C – Annual Language Access Goals

List 3-5 SMARTIE goals (Specific, Measurable, Achievable, Relevant, Time-bound, Inclusive, Equitable) that reflect department needs and Port-wide priorities.

Goal #	Goal Statement	Baseline Data	Target Metric / Outcome	Lead Responsible	Target Completion Date

Need Help?

Contact the Civil Rights Program Manager: blanco.l@portseattle.org | 206-867-1293

Section D – Key Activities / Strategies

Planned Activity or Initiative	Description / Deliverable	Staff Responsible	Status (Planned/In Progress/Completed)	Timeline
e.g., Update multilingual signage at cruise terminals	Translate wayfinding signs into top 5 languages identified in Four-Factor Analysis	Facilities Team	In Progress	Q2 2026

Section E – Monitoring and Evaluation Metrics

Indicator / Metric	Data Source or Collection Method	Reporting Frequency	Responsible Person / Team	Notes / Comments
e.g., # of interpreter requests per quarter	Language Access Service Log	Quarterly	Dept. Lead	

Section F – Resources and Budget Needs

Resource Type	Estimated Cost / Support Needed	Funding Source / Request	Justification / Notes
e.g., Interpreter services contract, translation software license. Staff training hours allocation			

Section G – End-Of-Year Evaluation Summary

Provide a summary of key outcomes, challenges, and recommendations for next year.

Questions	Response
Which goals were fully or partially met?	
What barriers or gaps impacted implementation?	
What community or staff feedback informed your evaluation?	
What are next year’s priority actions?	

Sign-Off

Name/Title	Signature	Date
Dept. Lead		
Language Access Lead/Liaison		
OEDI Reviewer		

Need Help?

Contact the Civil Rights Program Manager: blanco.l@portseattle.org | 206-867-1293

Appendix F: Complaint Form and Flow Chart



**Port of Seattle
Title VI Coordinator's Office
Complaint Form**

Section I

Any person who believes he or she has been subjected to discrimination on the basis of race, creed, color, gender, or national origin in any program or activity administered by the Port of Seattle has the right to file a complaint with the Port of Seattle. Complaints must be filed within one hundred eighty (180) days following the date of the alleged discriminatory occurrence, must be filed using this form, and must be delivered to the Office of Equity, Diversity, and Inclusion, Title VI Coordinator, P.O. Box 1209, Seattle, WA 98111 or via email at TitleSixCoordinator@PortSeattle.org. If a complaint is initially made by phone, it must be supplemented with this Complaint Form within 180 days after the discriminatory event. This is not intended to deny or limit the right of a complainant to file a complaint with an outside agency, such as the U.S. Department of Transportation nor Federal Aviation Administration (FAA), or to seek private legal counsel regarding discrimination.

Please fill in your information below.

Basis for complaint

Race Color Sex Creed National Origin

Complainant

Name:

Address:

Telephone Numbers:
(Home) (Work)

E-Mail Address:

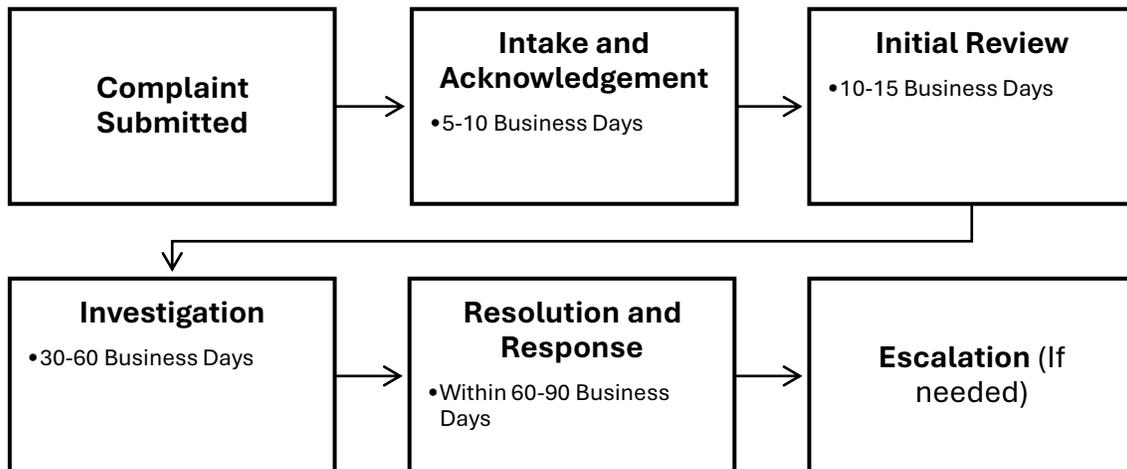
Section II

Are you filing this complaint on your own behalf?
Yes No

If you answered "yes" to this question, go to Section III.

If you answered "no", please provide the name and relationship of the person for whom you are filing.

Did you have obtained the permission to file this complaint from the person for whom you are filing?
Yes No



Need Help?

Contact the Civil Rights Program Manager: blanco.l@portseattle.org | 206-867-1293

LANGUAGE ACCESS

MARCH 2026

Office of Equity, Diversity, and Inclusion



Language Access Commitments

- Title VI of the Federal Civil Rights Act of 1964
- FAA Regulations
- Port of Seattle Commission Language Access ORDER 2023-05
- Port of Seattle RAISE values and commitment to equity

Laipni lūdzam
Tervetuloa Benvenuto
Herzlich Willkommen ようこそ
ຍິນດີຕ້ອນຮັບ Welcome
Добро пожаловать Fáilte
Velkommen ¡Bienvenido! 歡迎
Üdvözöljük
Bienvenue 欢迎 에 오신 것을 환영합니다
السؤاله أ Καλώς ήρθατε סיאבה סיכורב
Vítejte Welkom Dobrodošli
Sveiki atvykę یدمآ شوخ

Port of Seattle Commission Language Access ORDER 2023-05



Assess Current State



Conducted a port-wide review of language access across public documents, signage, websites, and services.



Engage Community



Gathered input through surveys and nonprofit community partners.



Build Implementation Framework



Developed a Language Access Guidance Manual



Establish Multilingual Compensation Model



Created a compensation structure for employees providing interpretation and translation.

High-Level Timeline & Milestones

2023

- **Order Adopted:** Developed a port-wide policy on language access.
- **Language Access Assessment:** Discovery/Analysis Phase
- **Language Access Cohort Created**

2024

- **Language Access Guidance Manual:** Design, Development Started
- **Language Access Assessment:** Findings Presented to Commission
- **Extension** on Order 2023-05 Granted to Feb. 2026
- **Deliverables Completed:**
 - Language Access Assessment (Port-wide)
 - Language Access Community Survey
 - Assessment of Aviation Division Commission Briefing

2025

- **Deliverables Completed**
 - Technical Support & Training
 - Language Access Department Plans & Goals
 - Language Access Cohort Convenings
 - Language Access Guidance Manual Development
 - Compensation Policy for Multilingual Compensation Program

2026

- **Commission Presentation & Implementation Plan**
 - Language Access Guidance Manual & Implementation
 - HR Multilingual Compensation Model & Workplan
 - Departmental Language Access Plans

Language Access Guidance Manual

Guidance Manual Content

How to Access Services

- Interpretation, translation, request processes, quality assurance, and key contacts.

How to Implement

- Department planning templates, training, outreach guidance, and partnership strategy.

How We Ensure Accountability

- Complaint process, monitoring & evaluation, legal standards, and implementation tools.

Interpretation | Translation Requests

Completed Examples



On-Demand Virtual Queue Overview



SEA Customer Care Live Chat



Notice of Seizure Form



TNC Driver Survey



Aviation Signage – FIFA and General Wayfinding



SEA STS Train Station Digital Signage Updates



IAF Passenger Video Script

Language Access Guidance Manual Next Steps

Language Access GM SharePoint

PREPARED BY ODI

Language Access Guidance Manual

The Language Access Guidance Manual is designed to support Port teams in providing timely and meaningful access to our facilities and services for Limited English Proficient (LEP) persons, as well as effective communication for individuals who are Deaf and speak American Sign Language (ASL). Port teams should strive to provide language assistance services to Limited English Proficient individuals whom they encounter or whenever a Limited English Proficient person requests language assistance services, as well as provide effective communication methods to individuals who are Deaf and speak American Sign Language (ASL).

Language Access at the Port - Quick Reference Guide

...beyond intention and into action...

Language Access Dashboards

Seattle - Tacoma International Airport

Overview - All Accounts **6,405 Calls** **66,813 Minutes** **25s Avg Connect Time**

Last Year

Call Volume

Top 5 Languages

Language	Calls	Avg. Duration	Connect Time
Mandarin	1,887	12 min	17s
Korean	771	14 min	39s
Spanish	630	14 min	8s
Japanese	409	12 min	23s
Vietnamese	407	7 min	9s
All Other Languages	2,136	10 min	35s

Solutions Summary

Audio	6,405 Calls
	66,813 Total Minutes
	11 Min Avg. Duration

Note: These visualizations are raw data. The data displays all calls, including unbilled calls, and minutes before the rounding process during billing.

Q1 2026 | Infrastructure

Q2 2026 | Awareness & Capacity Building

Q3/Q4 2026 | Adoption & Evaluation

Goal: Remove access barriers and stand-up foundational tools

Goal: Build shared understanding and practical confidence

Goal: Normalize usage and sustain behavior change

Multilingual Compensation Plan & Next Steps

Compensation Model

Commission
Order 2023-05

Eligible Port
Roles Identified

Qualification
Criteria

Tier 1

- Spanish

Tier 2

- Amharic
- ASL
- Chinese
- Japanese
- Korean
- Somali
- Tagalog
- Vietnamese

Port of Seattle
Top 9 Languages



[Language Access Assessment March 2024](#)

Phase One

OEDI identified the following roles:

- Airport Customer Service Representative I & II
- Harbor Customer Service Specialist (General & Fishing)
- Customer Communications Representative
- On-Call SEA Customer Support Representative

HR identified the following roles:

- Landside Transportation Specialist
- Landside Cruise Transportation Coordinator

Roles Identified



Phase One – Non-Represented Roles
Phase Two – Expand to Represented Roles



Proficiency Testing gauges the level of fluency in English or another language in a general context.

Language
Proficiency



Annual Departmental Language Access Plans

Language Access Goals & Guidance



STEP ONE

Define Your Goals – Consider your department’s work, key audiences, the needs of your partners, and your ability to track and measure a goal’s progress



STEP TWO

Estimate Your Costs – Consider the resources you will need to achieve your goals and how you can partner with OEDI



STEP THREE

Submit Your Plan and KPIs – Use a S.M.A.R.T. framework to create key performance indicators for your goals

2026 Departmental Language Access Plans



Central Procurement Office

Make Procurement Documents more Accessible: Update public-facing docs into plain language and translated into multiple languages

Address Needs of Community-Based Organizations: Conduct an assessment to understand the needs of LEP communities; translate materials and implement recommendations of assessment

Approximate Budget Impact: \$50K



Aviation Customer Service

ASL Interpretation: Implement Mobile Video Remote Interpretation (VRI) for American Sign Language Interpretation Services

Increase Language Accessibility: Add at least one more language to the interactive digital map; pilot FluentTalk translation devices; create translated materials in the four official FIFA languages

Approximate Budget Impact: \$70K



Tourism

Provide Info at SEA and Cruise Terminals in 50+ languages: Pilot Chatbot tool, supporting Port's responsible tourism goals encouraging tourists to visit lesser-known, less-er resourced attractions

Translate "Cruise & Stay" Materials: Translated materials into Japanese, Korean, and German, sharing online and with global offices

Approximate Budget Impact: \$2K - \$4K

Language Access in Action

Translation in top 5+ Port Languages

Examples include: Spanish, Chinese Mandarin, Korean, Japanese, Russian, Vietnamese, French, Ukrainian, Arabic, Khmer, German, Portuguese, Amharic, Tagalog



FIFA World Cup

Ensuring Language Accessibility for all passengers across the Puget Sound Region.

- Language Access Cohort (Internal)
- Regional Passenger Experience Workgroup (External)
- WSDOT Language Access Workgroup (External)



General Wayfinding

Updating and expanding Language Accessibility for SEA wayfinding.

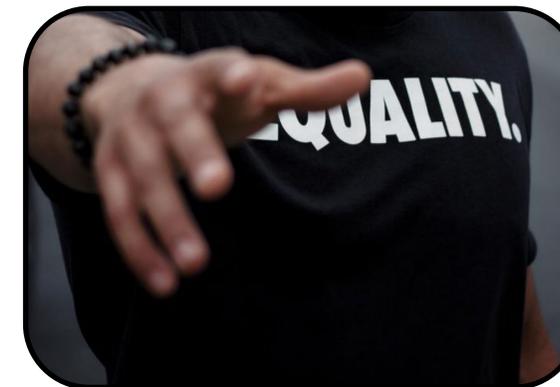
- Terminal Efficiency Workgroup (Internal)



Anti-Human Trafficking

Updating and expanding Language Accessibility for Anti-human trafficking initiatives.

- AHT Workgroup (Internal)



Title VI

Updating and preparing for Title VI Plan renewal, 2026. Partnering with AV and Maritime Leaders.

- Language Access Cohort (Internal)
- Title VI Workgroup (Internal)

Questions?



**COMMISSION
AGENDA MEMORANDUM
BRIEFING ITEM**

Item No. 11c
Date of Meeting March 24, 2026

DATE: March 18, 2026
TO: Stephen P. Metruck, Executive Director
FROM: Sabrina Bolieu, Regional Government Relations Manager, External Relations
Dave Kaplan, Local Government Relations Manager, External Relations
Samantha St. John, East King County Community and Government Relations Manager, External Relations
Roxanne Murphy, Tribal Relations Manager, External Relations
Nate Caminos, Government Relations Director, External Relations

SUBJECT: Briefing on 2026 Local, Regional and Community Engagement Policy Priorities

EXECUTIVE SUMMARY

Brief Commission on the 2026 local and regional government policy priorities, for staff to engage with local and regional officials and other partners in support of these priorities.

Port of Seattle government relations staff worked with Commissioners, executive team members, internal subject matter experts, and external stakeholders to develop local, regional and community engagement policy priorities and partnerships to guide Port advocacy efforts to fulfill our mission to promote economic opportunities and quality of life in the region by advancing trade, travel, commerce and job creation in an equitable, accountable, and environmentally responsible manner.

Throughout 2025, staff worked to execute the 2025 regional and local policy priorities. Progress was made on many of the priorities, and current and future priorities will continue to be pursued over the next several years.

For 2026, the Local and Regional Policy Priorities are organized under the Century Agenda Goals and Objectives. The Century Agenda is the directional compass for the Port of Seattle that was introduced in 2012 and updated in 2017 and again in 2020.

These priorities are accomplished through the development of relationships with local jurisdictions and regional organizations, by both staff and elected officials, resulting in the partnerships necessary to successfully accomplish the Port’s goals. Regional engagement through the Puget Sound Regional Council, the Sound Cities Association, and others are a necessity to build these relationships.

Meeting Date: March 24, 2026

2026 LOCAL AND REGIONAL POLICY PRIORITIES

Port of Seattle Century Agenda Goals

Goal 1: Position the Puget Sound as a premier international logistics hub

Objective 1: Meet the Puget Sound region’s international trade and cargo needs in an efficient and sustainable manner.

- Support the T-5 Phase Agreements and the ongoing work to ensure vessels plug into shore power. Continue support of ongoing T-46 Tenancy discussions and the future WOSCA site
- Support freight improvements and the efficiency of the heavy haul network and monitor key projects like Holgate and Reconnect South Park
- Monitor the implementation of the Transportation Levy to ensure freight investments are effective and efficient
- Advocate for overnight truck parking and electrification in Seattle and across the region, including a full truck stop in North Bend to meet the current and growing demand, and to promote driver safety.

Objective 2: Support the continued success and competitiveness of the NWSA.

- Support alignment of goals with the Northwest Seaport Alliance
- Continue assurance of no net loss of Industrial Lands through the Seattle Comprehensive Plan Review process and close monitoring of the Mayor’s South of Downtown Visioning process.
- Finalize data analysis and communicate the regional economic impact of the NWSA/Port of Tacoma/Port of Seattle

Goal 2: Advance this Region as a Leading Tourism Destination and Business Gateway

Objective 3: Continuously improve the operational efficiency and customer experience at SEA.

Objective 4: Strengthen the competitiveness of SEA in the regional and global markets.

- Collaborate with tourism partners to promote responsible tourism/eco-tourism that promotes our natural assets while minimizing cultural and ecological impacts.
- Promote key initiatives that connect tourists to special events and offerings throughout the region (including Eastside initiatives like the Bellevue Bellhop program, Bellevue airport shuttle, Woodinville wine country tourism, and the waterfront shuttle).
- Work with local and regional partners to plan for service delivery in advance of and during the 2026 FIFA World Cup.

Objective 5: Meet the region’s air transportation needs by delivering vital facilities and infrastructure in a sustainable and cost-effective manner.

- Engage with the local communities, including continued robust outreach to BIPOC and under-represented communities, regarding the SAMP NTP’s draft State Environmental Policy Act Environmental Impact Statement (SEPA EIS) release, with completion anticipated by end of 2026.

Meeting Date: March 24, 2026

- Promote awareness of completed Upgrade SEA projects, and other improvements at SEA Airport.

Goal 3: Responsibly Invest in the Economic Growth of the Region and all its Communities

Objective 6: Increase job creation and business opportunities for local communities in all port-related industries.

- Amplify the Teal New Deal to stoke clean energy development in SODO with key blue and green industries like ship building
- Support equitable and inclusive programs to support small businesses like the Seattle Export Accelerator.
- Encourage port-adjacent employers, port tenants and other port employer partners to develop internships for near-port community members, (like Youth Maritime Career Launch) and targeted hiring strategies (like Priority Hire).
- Explore land acquisition to expand industrial lands and Port-related opportunities.
- Continue to promote the Port’s Economic Development Partnership City Fund Program and workforce development programs, helping to foster local business development and create equitable career paths and opportunities in Port-related occupations.
- Partner with City of Bellevue on Eastrail multi-modal corridor and the Grand Connection project.

Objective 7: Advance maritime industries through innovation, strategic investment and capable management of Port facilities.

- Explore the Port’s involvement and use of Port facilities for alternative fuels, including hydrogen and methanol production, storage and distribution.
- Promote development and support for the Maritime Innovation Center
- Develop Terminal 106 and Terminal 91 to support industrial warehousing and manufacturing.

Objective 8: Expand the economic, cultural and community benefits of Cruise Operations while preserving industrial lands.

- Support the continued development of a Green Corridor for cruise.
- Ensure the Elliot Bay Connections project and the Alaska Way Bike Lane improve and do not impede the cruise connection to the waterfront.
- Continue to explore expanding opportunities for local and diverse businesses in supplying goods and services to the cruise industry.

Goal 4: Be the Greenest and Most Energy-Efficient Port in North America

Objective 9: Meet all increased energy needs through conservation and renewable sources.

Objective 10: Meet or exceed agency requirements for stormwater leaving Port-owned or operated facilities.

Meeting Date: March 24, 2026

Objective 11: Reduce air pollutants and carbon emissions.

- Support the decarbonization of shipping including the development and uptake of low and zero emission maritime fuels.
- Continue to support tactical efforts to ensure cruise vessels utilize shore power at Pier 66.
- Foster the Clean Truck Collaborative Program led by the NWSA.
- Continue to further the development of Sustainable Aviation Fuels for use at SEA.
- Support the kelp research and restoration efforts with the Seattle Aquarium.
- Continue to apply the Port’s Environmental Land Stewardship strategies.

Objective 12: Restore, create, and enhance 40 additional acres of habitat in the Green/Duwamish habitat.

- Continue to steward Maritime Parks, especially those in the Duwamish to support port values and better serve near port communities.
- Meet our obligations for Duwamish Vision 2050, cleanup of the East Waterway.
- Facilitate engagement with local agencies on the Port’s next Wetland Mitigation Bank Project in Auburn.

Goal 5: Become a Model for Equity, Diversity and Inclusion

Objective 13: Increase utilization of WMBE and DBE firms and eliminate disparity of access to opportunities.

- Further WMBE and Diversity in Contracting.
- Help promote PortGen Business Accelerator.
- Support next steps pursued by Burien, SeaTac, or Tukwila to explore potential partnerships in support of a South King County International Public Market concept.

Objective 14: Ensure that all internal and external programs, structures and practices provide equitable opportunities for all.

- Meet regularly with Tribal leaders and affiliated organizations in the state and region to build, strengthen and sustain the government-to-government and community-to-community relationships with the Port of Seattle.
- Implementing the work plans as developed in the Muckleshoot and Suquamish Tribes MOAs.
- Further discussions and negotiations with Native American tribal governments or tribal governments’ supported entities, such as the Northwest Indian Fish Commission, in hopes of creating mutually beneficial agreements and partnerships between the port and those tribal governments.
- Continue to hold interjurisdictional meetings with the Beacon Hill, Georgetown, and South Park communities and the advancement of the South Seattle Roundtable series.

Meeting Date: March 24, 2026

- The Office of Equity, Diversity, and Inclusion will lead internal efforts and provide technical support to Port divisions and departments to advance the Port’s Century Agenda via equity best practices and environmental justice principles.
- Support and promote the Duwamish Valley Community Equity Program and the South King & Port Communities Program.
- Include anti-human trafficking efforts and promote access to services for human trafficking survivors.
- Continue our robust equitable community engagement as part of the SAMP NTP environmental review process.

Objective 15: Advance regional workforce development in port-related industries to provide equitable access to quality careers.

- Improve the Tribal Engagement Internship Program, encourage Tribal employment within the Port via advocacy and job fairs, offer Tribal youth tours of airport and maritime facilities, create connections with apprenticeship opportunities, and fulfill the requests from the Tribes to support Education and Tribal Workforce Development.
- Expand Green Jobs strategies in Port sectors, particularly in the Duwamish Valley and support regional coordination efforts (i.e., inter-governmental, public-private partnerships) for green jobs workforce development.
- Expand Aviation career opportunities through employment services for those seeking employment at SEA and educational programs such as literacy services for those with limited English proficiency and Aviation Maintenance Technology and Ground Service Equipment higher education programs.
- Support near-port communities to gain high-wage construction careers by investing in pre-apprenticeship training and leadership development.
- Support career connected learning programs and education institutions (Seattle Maritime Academy, Core Plus, Maritime High School, Career and Technical Education (CTE) programs).
- Advocate and explore opportunities to expand the provision of childcare, to the benefit of Port and airport employees.
- Continue to support equitable access for BIPOC communities and women into quality jobs in port sectors with investments in outreach training, retention, navigation.
- Support stronger collaboration with regional agencies such as the Southside Alliance and regional workforce development boards.
- Develop stronger industry relations to ensure effective placement of youth and adults into “in-demand” jobs.
- Lead conversations with public agencies and employers on developing best practices for respectful work sites to support retention of historically underrepresented workers in Port-related industries.

Meeting Date: March 24, 2026

Goal 6: Be a Highly Effective Public Agency

Objective 16: Advance the Port's dedication to employee engagement, safety, innovation, and financial stewardship.

Objective 17: Foster an environment of transparency, accountability, respect, leadership, and fairness to give Port staff the tools to be exceptional public servants.

- Finalize and pilot an institutional framework (maritime and aviation) to prioritize and invest in opportunities that have the greatest environmental justice impact and deliver positive outcomes for near-port communities. Implementation of the Environmental Justice Framework will also advance several objectives of goals 4 and 5 of the Century Agenda.

Objective 18: Partner and engage with external stakeholders to build healthy, safe and equitable communities.

- Engage with local and regional partners and identify opportunities for collaboration on how to replace infrastructure, in transitioning away from fossil fuels.
- Continue to support Port-tenant transition to PFAS-free fire-fighting foams.
- Consistent with Commission Order No. 2024-12, continue to engage with the City of SeaTac and the community regarding the protection of and future of North SeaTac Park, including support of SeaTac's application for King County Conservation Futures Funds.
- Continue collaborating with internal and external stakeholders to further environmental justice and ensure meaningful community engagement for healthier communities.
- Continue collaborating with internal and external stakeholders to further anti-human trafficking efforts in preparation for the 2026 FIFA World Cup.

Objective 19: Set the standard for high-quality, cost-effective, and timely delivery of capital programs.

- Encourage the optimized use of SEA Pre-Conditioned Air Systems.
- Continue to explore partnerships with local jurisdictions for SEA Bike and Pedestrian Commuter Improvements.
- Continue sound insulation work within the current Noise Remedy Boundary that resulted from the 2014 Part 150 Noise and Land Use Compatibility Program and meet the 2026 goal for insulating homes, apartments, and places of worship, begin construction under the Port's Sound Insulation Repair & Replacement Pilot Program (pre-1993 homes), and look to advance the new Part 150 Program.

ATTACHMENTS TO THIS BRIEFING

- (1) Presentation slides

Meeting Date: March 24, 2026

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

March 11, 2025 - The Commission approved 2025 Local and Regional Policy Priorities.

February 11, 2025 – The Commission was briefed on 2025 Local and Regional Policy Priorities

February 13, 2024 – The Commission approved amended 2024 Local and Regional Policy Priorities.

January 23, 2024 – The Commission was briefed on 2024 Local and Regional Policy Priorities

January 10, 2023 – The Commission approved amended 2023 Local and Regional Policy Priorities.

December 13, 2022 – The Commission was briefed on 2023 Local and Regional Policy Priorities

March 8, 2022 – The Commission approved the 2022 Local and Regional Policy Priorities

February 8, 2022 – The Commission was briefed on 2022 Local and Regional Policy Priorities

January 26, 2021 – The Commission approved the 2021 Local and Regional Policy Priorities.

January 12, 2021 – The Commission was briefed on 2021 Local and Regional Policy Priorities

February 25, 2020 – The Commission approved the 2020 Local and Regional Policy Priorities

February 11, 2020 – The Commission was briefed on 2020 Local and Regional Priorities.

January 22, 2019 – The Commission approved 2019 Local and Regional Policy Priorities.

January 8, 2019 – The Commission was briefed on 2019 Local and Regional Policy Priorities.

February 27, 2018 – The Commission approved 2018 Local and Regional Policy Priorities.

February 13, 2018 – The Commission was briefed on 2018 Local and Regional Priorities

2026 Local and Regional Policy Priorities Commission Briefing

Sabrina Bolieu, Regional Government Relations Manager, External Relations
Dave Kaplan, Local Government Relations Manager, External Relations
Roxanne Murphy, Tribal Relations Manager, External Relations
Samantha St. John, East King County Government Relations, External Relations



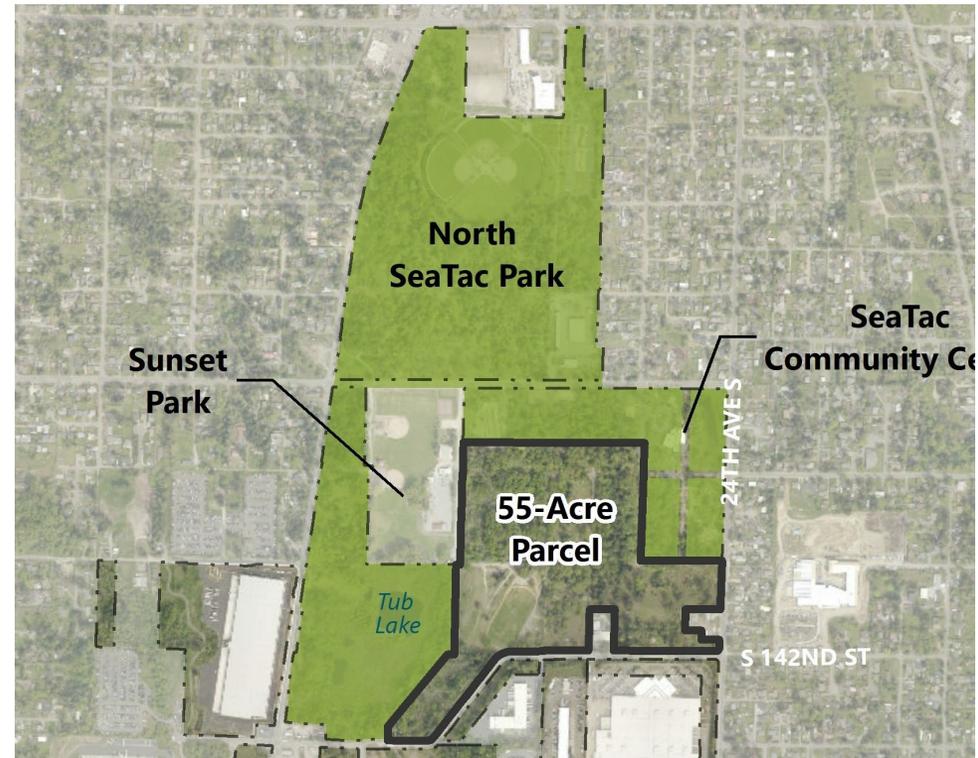
Overview

- 2025 Priorities Advancement
 - Progress made on advancing Port priorities in 2025
- 2026 Priorities track with the Port's Century Agenda Goals and Objectives
 - Priorities aligned in furtherance of the six Century Agenda Goals, by area of engagement
- Next Steps
 - Incorporate Commission feedback
 - Seek adoption at April 14th meeting



2025 Local & Regional Priorities Advancement

- Industrial lands repeal- GMHB Ruling
- Sound Industrial Alliance
- Tribal economic and workforce opportunities
- Tribal fishing season improvements



- Advancing Protection of North SeaTac Park
- Potential Development of NERA 1
- Deepening Relationship with Bellevue
- Eastside SEA Airport tours and SAMP

2026 Local & Regional Policy Priorities

Regional Relations

- No net loss of the industrial lands
- Seattle Comprehensive Plan
- The future of the Manufacturing Industrial Centers
- Port of Seattle- Office of Economic Dev. MOU
- Terminal 46- Omni-terminal
- Holgate and Reconnect South Park
- Green Corridor for Cruise
- South Seattle Roundtable



2026 Local & Regional Policy Priorities

South King County Relations

- SAMP NTP Draft SEPA EIS engagement
- Permanent protection of North SeaTac Park
- Future development of the NERA 1 property
- SEA bike and pedestrian improvements
- Childcare for SEA employees
- South King County International Public Market
- Anti-human trafficking efforts



2026 Local & Regional Policy Priorities

East King County Relations

- Engage East King County cities and organizations in the next phase of the SAMP process.
- Advance connectivity to SEA via Eastside airport shuttle and new light rail cross-lake connection.
- Partner Bellevue on Eastrail corridor and the Grand Connection project.
- Coordinate with North Bend on truck parking and freight mobility needs in East King County.
- Strengthen regional collaboration on responsible tourism and economic development.



2026 Local & Regional Policy Priorities

Tribal Relations

- Tribal work plan development
- Vessel Coordination Five-Year Plan
- Workforce Development partnerships
- Tribal fishing support
- Economic Development support
- Sustainable aviation and maritime fuels partnerships
- Government to Government meetings
- Port of Seattle Tribal understanding



Next Steps

- Now through April 14th – Incorporate feedback
- April 14th – Seek Commission Adoption
- Meetings with other jurisdictions and key stakeholders to share top priorities and the local and regional focus for the year

QUESTIONS?