



COMMISSION REGULAR MEETING AGENDA

June 11, 2024

To be held virtually via MS Teams and in person at the Port of Seattle Headquarters Building – Commission Chambers, Pier 69, 2711 Alaskan Way, Seattle WA. You may view the full meeting live at meetings.portseattle.org. To listen live, call in at +1 (425) 660-9954 or (833) 209-2690 and Conference ID 534 082 596#

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 noon – 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.

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, June 11, 2024. **(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 Minutes of the Regular Meeting of May 28, 2024. (no enclosure) (p.4)

8b. Approval of the Claims and Obligations for the Period May 1, 2024, through May 31, 2024, Including Accounts Payable Check Nos. 953564 through 954035 in the Amount of \$11,166,324.08; Accounts Payable ACH Nos. 066056 through 066907 in the Amount of \$70,768,282.46; Accounts Payable Wire Transfer Nos. 016308 through 016325 in the Amount of \$18,492,599.27; Payroll Check Nos. 212389 through 212923 in the Amount of \$116,839.65; and Payroll ACH Nos. 1196497 through 1201301 in the Amount of \$15,914,379.65, for a Fund Total of \$116,458,425.11. ([memo enclosed](#)) (p.12)

8c. Monthly Notification of Prior Executive Director Delegation Actions May 2024. ([memo enclosed – No action, for information only](#)) (p.15)

8d. Authorization for the Executive Director to Complete Design of LED Lighting and Controls Upgrades at T-91 in the Amount Requested of \$700,000 and a Total Project Authorization To-Date of \$750,000, for a Total Estimated Project Cost of \$3,600,000. (CIP #C801297) ([memo and presentation enclosed](#)) (p.18)

8e. Authorization for the Executive Director to Increase the Overall Project Cost by \$2,000,000 to \$5,500,000 to Account for Increased Planning Costs and Need for Significantly Increasing Field Investigation Efforts and to Amend an Existing Maritime Environmental Site Management Support Services IDIQ Contract with Floyd Snider Inc. in the Amount of \$2,000,000, for a New Not-to-Exceed Total of \$4,000,000, and to Extend the Contract by Two Years to Complete the Remaining Work for the Terminal 115 Plant 1 Ecology Agreed Order Cleanup Site. ([memo, attachment 1, attachment 2, and attachment 3 enclosed](#)) (p.32)

8f. Adoption of Resolution No. 3824: A Resolution to Determine 500 Mitigation Credits from the Port's Terminal 117 (T117) Mitigation Bank Site Are Surplus in Accordance with RCW 53.08.090 and EX-30; and to Authorize the Executive Director to Enter into a Purchase and Sale Agreement to Sell Those Credits at Fair Market Value. ([memo, agreement, and resolution enclosed](#)) (p.53)

9. UNFINISHED BUSINESS

9a. Adoption of Resolution No. 3823: A Resolution Amending the Policy Directive for Salaries and Benefits for Employees Not Covered by a Collective Bargaining Agreement Established by Resolution No. 3820 and Providing an Effective Date for All Amendments as of June 1, 2024. ([memo, resolution, exhibit A, attachment A, attachment B, 2023 pay ranges, and presentation enclosed](#)) (*Main motion is on the floor.*) (p.70)

10. NEW BUSINESS

10a. Introduction of Resolution No. 3826: A Resolution Authorizing the Issuance and Sale of Intermediate Lien Revenue and Refunding Bonds in One or More Series (the "2024 Revenue Bonds"), in the Aggregate Principal Amount of Not-to-Exceed \$850,000,000 for the Purposes of Financing Capital Improvements to Aviation Facilities and Refunding Certain Outstanding Revenue Bonds of the Port; Setting Forth Certain Bond Terms and Covenants; and Delegating Authority to Approve Final Terms and Conditions and the Sale of the Bonds. ([memo, resolution, presentation enclosed](#)) (p.100)

10b. Number not used.

10c. Order No. 2024-08: An Order Setting an Accelerated Timeline for All Cruise Ships to Utilize Shore Power at All Port Facilities by 2027. ([order](#) enclosed) (p.155)

11. PRESENTATIONS AND STAFF REPORTS

11a. 2023 Environment and Sustainability Annual Report. ([memo](#) and [presentation](#) enclosed) (p.158)

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**

May 28, 2024

The Port of Seattle Commission met in a regular meeting Tuesday, May 28, 2024. The meeting was held at the Seattle-Tacoma International Airport Conference Center located at: 17801 International Blvd, Mezzanine Level, Seattle, Washington, and virtually on Microsoft Teams. Commissioners Calkins, Cho, Felleman, Hasegawa and Mohamed were present.

1. CALL to ORDER

The meeting was convened at 10:32 a.m. by Commission President Hamdi Mohamed.

2. EXECUTIVE SESSION pursuant to RCW 42.30.110

The public meeting recessed into executive session to discuss ¹ two items regarding litigation/potential litigation/legal risk per RCW 42.30.110(1)(i) 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 12:06 p.m. Commission President Mohamed led the flag salute.

3. APPROVAL of the AGENDA

The agenda was approved as amended, with Agenda Item 8d removed from the Consent Agenda to be discussed separately, without objection.

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

Opposed: (0)

4. SPECIAL ORDERS OF THE DAY

4a. A Proclamation Commemorating May as Asian American and Native Hawaiian / Pacific Islander Heritage Month.

Requested document(s) included a proclamation.

¹ A second item was added to the Executive Session by Commission President Hamdi Mohamed in open session and the Executive Session was extended thirty-five additional minutes.

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

Presenter(s):

Erica Chung, Commission Strategic Advisor, Commission Office
Keoki Lau, Security Access Specialist and Native Hawaiian – HAPI ERG
Khan Thavongsack, Lead Total Rewards Specialist and Laotian American – HAPI ERG
Christian Santos, Payroll Ops & Systems Analyst and Filipino American – HAPI ERG
Will Tran, Building Inspector/Plan Examiner and Chinese Vietnamese American – HAPI ERG

Clerk Hart read Item 4a into the record.

Deputy Executive Director Karen Goon introduced the item and presenters.

Port employees and members of the Port's HAPI Employee Resource Group read the proclamation into the record.

Members of the Commission thanked the members of the HAPI Employee Resource Group for their representation and reading of the proclamation; spoke regarding the history and importance of Asian American and Native Hawaiian / Pacific Islander Heritage Month; and spoke to the importance of continued recognition in order to solidify institutional change and to lift each other up.

The motion, made by Commissioner Hasegawa, 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

Waterfront and Industrial Lands Committee

Commissioners Felleman and Calkins convened the Waterfront and Industrial Lands Committee meeting on May 21, 2024, with three items for briefing and discussion: an update on WOSCA; a briefing of the forthcoming Future Lines of Business Study, and an update on the Real Estate Strategic Plan.

Portwide Arts and Culture Board

The Portwide Arts and Culture Board met on May 21, 2024, with Commissioner Felleman in attendance. The Board received briefings on two potential new Maritime art installation projects: at Pier 66 to beautify new equipment necessary for shore power at the pier; and potential art installations at Fisherman's Terminal. The Board also received status updates on the redesign of the Ralph Helmich piece and updates on the current projects at Check Point 1.

Highline Forum

The Highline Forum met on May 22, 2024, with Commissioner Felleman chairing the meeting and Community Co-chair Des Moines Councilmember Mahoney attending. The Forum received updates from the host City of Tukwila Administrator Marty Wine on changes in city leadership and within the

community, and the city's efforts to address the needs of asylum seekers. Highline Forum members also received a briefing regarding the StART 2023 Annual Report from Port Community Engagement Manager Marco Milanese and Government Relations Director Nate Caminos. Most notably shared was the success of the StART-led advocacy for federal policy issues included in the 2023 FAA Reauthorization bill signed into law on May 16, 2024. An update on the Part 150 Noise Study was also provided by Port Aviation Noise Programs Manager Tom Fagerstrom. The Part 150 Noise and Land Use Compatibility Study will evaluate noise using an FAA-required model, which will determine the noise footprint around SEA Airport. An update of the Sound Insulation Repair and Replacement Pilot Program was given by Senior Manager of Aviation Noise Programs, Ryan McMullan. It was noted that postcards in multiple languages have been sent out alerting homeowners to surveys that they will receive after June 3, 2024. The Highline Forum also received an overview of Sustainable Airport Master Plan (SAMP) Near-Term Project (NTP) Environmental Review process by Port Aviation Senior Environmental Program Manager Steve Rybolt. The draft National Environmental Policy Act (NEPA) Environmental Assessment is still expected to be released in fourth quarter of this year; at which time the public will have an opportunity to comment.

7. PUBLIC COMMENT

- The following person spoke regarding Agenda Item 8d, regarding amendments to the salaries and benefits policy directive for non-represented employees: Marie Bell.
- The following people spoke regarding healthcare for airport workers: Genet Abebe and Karyn Baibeians of SEIU6/G2.
- The following people spoke regarding port badge access, first amendment rights to assemble for union representatives and employees: Katie Garrow; Diana Noinola; Michelle Fellhauer; Dominick Ojeda; Stefan Moritz; Paula Isla McGill; Nicole Grant; Shannon Sanchez; Jimi Limric; Melinda George Henderson; and Brandon Johnson.
- The following people spoke regarding the previous Commission Order related to the next five years of the taxi driver program with the Port regarding a dispute resolution process and taxi marketing and asked for additional Commission support in working through remaining issues: Joshua Welter; Worku Belayneh; and Haybe Jamaac.
- The following person spoke regarding the Port's Sound Insulation Package Program and postcards recently sent out to some homeowners regarding their previously installed package: JC Harris, sea-tacnoise.info.
- In lieu of spoken comment, the following people submitted written comments regarding the Port's Sound Insulation Package Program and postcards sent by the Port to owners of failed sound insulation packages: Denise Utley, Linda Boynton, and Johnny Samra.
- In lieu of spoken comment, the following person submitted written comments regarding the cruise industry, asking the Port to immediately reduce environmental impacts caused by the industry: Patrick McKee.

[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 Minutes of the Regular Meeting of May 14, 2024.

- 8b. Authorization for the Executive Director to authorize an additional \$500,000 for a total of \$5,600,000 to support the Port Construction Services (PCS) Facility Improvement Project. (CIP# C801359).**

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

- 8c. Authorization for the Executive Director to Advertise and Execute a Major Public Works Construction Contract for the Completion of Corrosion Protection Projects at Bell Harbor Marina and Pier 66 in the Amount of \$5,900,000, for a Total Estimated Project Cost of \$7,095,000. (CIP#s C800539 and C800517)**

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

- ~~**8d². Adoption of Resolution No. 3823: A Resolution Amending the Policy Directive for Salaries and Benefits for Employees Not Covered by a Collective Bargaining Agreement Established by Resolution No. 3820 and Providing an Effective Date for All Amendments as of June 1, 2024.**~~

~~Request document(s) included an agenda memorandum, resolution, exhibit A, attachment A, attachment B, 2023 pay ranges, and presentation.~~

- 8e. Authorization for the Executive Director to Authorize Design and Prepare Construction Bid Documents; to Advertise, Award, and Execute a Major Works Construction Contract; to Execute Related Project Change Orders, Amendments, Work Authorizations, Purchases, Contracts, and Take Other Actions Necessary to Support and Deliver the Electric Vehicle (EV) Chargers for the Aviation Fleet Project Within the Approved Budget; and to Authorize Use of Port of Seattle Crews and Small and Major Works On-call Contracts to Support the Design and Construction Activities, in the Amount Requested of \$2,698,000 and a Total Estimated Project Cost of \$2,947,000. (CIP# C801232)**

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

- 8f. Authorization for the Executive Director to Authorize Enabling Construction Work for the Primary Fire Station Project and to Procure Long Lead Items, in the Amount Requested of \$6,700,000, for a Total Authorized Budget of \$14,000,000 and a Remaining Budget to be Authorized in the Amount of \$15,922,000, for a Total Project Budget of \$29,922,000. (CIP# C801256).**

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

² Agenda Item 8d was removed from the Consent Agenda and addressed separately below.

- 8g. Commission Determination that a Competitive Process is Not Appropriate or Cost Effective Consistent with Revised Code of Washington 53.19.020(5) and Authorizing the Port to Specify Three Nonprofit Partners – Maritime Blue, the American Bureau of Shipping, and RMI as Sub-Awardees for Approximately \$1,060,000 of a \$3,000,000 U.S. Environmental Protection Agency Clean Ports Program Climate and Air Quality Planning Competition Grant Application; and to Execute any Resulting Service Agreements with Those Three Nonprofit Partners to Achieve the Grant Requirements if Funding is Awarded.**

Request document(s) included an agenda memorandum.

- 8h. Authorization for the Executive Director to Increase Funding and Execute all Necessary Activities for the International Arrivals Facility Project at Seattle-Tacoma International Airport by \$14,000,000, for a New Total of \$1,010,645,000, and to Execute a Settlement Agreement to Partially Resolve Pending Litigation. (CIP#s C800583, C800781, C800836).**

Request document(s) included an agenda memorandum.

The motion for approval of consent agenda items 8a, 8b, 8c, 8e, 8f, 8g, and 8h carried by the following vote:

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

Opposed: (0)

ITEMS REMOVED FROM THE CONSENT AGENDA

- 8d. Adoption of Resolution No. 3823: A Resolution Amending the Policy Directive for Salaries and Benefits for Employees Not Covered by a Collective Bargaining Agreement Established by Resolution No. 3820 and Providing an Effective Date for All Amendments as of June 1, 2024.**

Request document(s) included an agenda memorandum, resolution, exhibit A, attachment A, attachment B, 2023 pay ranges, and presentation.

Presenter(s):

Kecia Reichstein, Director, Total Rewards, Human Resources

Clerk Hart read Item 8d into the record.

Deputy Executive Director Goon introduced the item and presenters.

Commission President Mohamed spoke to questions received from Port employees and questions Commissioners have related to this item.

The main motion was made by Commissioner Hasegawa, to adopt Resolution No. 3823.

A motion to postpone Resolution No. 3823 to a time certain of June 11, 2024, made by Commissioner Hasegawa, carried by the following vote:

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

Opposed: (0)

Commission President Mohamed noted that the item would be back before the Commission at the June 11, 2024, meeting.

10. NEW BUSINESS

10a. Introduction of Resolution No. 3824: A Resolution to Determine 500 Mitigation Credits from the Port's Terminal 117 (T117) Mitigation Bank Site Are Surplus in Accordance with RCW 53.08.090 and EX-30; and to Authorize the Executive Director to Enter into a Purchase and Sale Agreement to Sell Those Credits at Fair Market Value.

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

Presenter(s):

Sarah Ogier, Director, Maritime Environment and Sustainability
Jon Sloan, Senior Manager, Environmental Programs
Kathleen Hurley, Senior Environmental Program Manager

Clerk Hart read Item 10a into the record.

Deputy Executive Director Goon introduced the item and presenters.

The presentation addressed:

- the request for the Commission to determine 500 mitigation credits from the Port's Mitigation Bank site are surplus in accordance with RCW 53.08.090 and Port Policy EX-30 and to authorize the Executive Director to execute a purchase and sale agreement to sell the surplus credits at fair market value;
- the mitigation bank site;
- timeline for the potential first sale of credits;
- saleable mitigation bank credits from the site; and
- benefits of using the bank credits.

Discussion ensued regarding:

- the Port of Seattle being the first port to sell these credits;
- using credits to support restoration needs;
- this being a conservation financing mechanism;
- preserving ecological integrity;
- using the banked credits instead of the tax levy to address restoration and generation of additional habitat;
- other sites on the horizon; and

- the frequency of monitoring clean-up sites.

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

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

Opposed: (0)

10b. Authorization for the Executive Director to Authorize the Preparation of Construction Bid Documents; to Advertise, Award, and Execute a Major Public Works Construction Contract for the Food and Beverage Introductory Kiosk Project in the Amount of \$5,850,000, and a Total Estimated Project Cost of \$7,050,000. (CIP# C801111)

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

10c. Authorization for the Executive Director to Authorize the Preparation of Construction Bid Documents; to Advertise, Award, and Execute a Major Public Works Construction Contract for the Food and Beverage Introductory Kiosk Project in the Amount of \$5,850,000, and a Total Estimated Project Cost of \$7,050,000. (CIP# C801111)

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

Presenter(s):

Kyra Lise, Director, Real Estate Development and Planning Administration
Kelly Purnell, Capital Project Manager IV, Waterfront Project Management
Tommy Gregory, Senior Art Program Manager, Aviation Director's Office

Clerk Hart read Items 10b and 10c into the record.

Deputy Executive Director Goon introduced the item and presenters.

The presentation addressed:

- the purpose of the briefing – to provide Commission with an update on the Fisherman's Terminal Site Improvements project new interpretive signage content;
- Fisherman's Terminal site improvements;
- Fisherman's Terminal interpretive plan;
- a previous study done to inventory existing signage and make recommendations for new signage;
- developing historical content for signage;
- internal and external stakeholder engagement;
- native engagement and key feedback from tribal partners; and
- signage themes and locations.

Discussion ensued regarding signage context and how to advertise maritime industry jobs.

The motion, made by Commissioner Hasegawa, to approve Agenda Item 10c, 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 provided.

12. QUESTIONS on REFERRAL to COMMITTEE and CLOSING COMMENTS

Commissioner Cho introduced Walker Britton, a high school student graduating in two weeks and shadowing Commissioner Cho for his senior project due to his interest in politics.

Commissioner Calkins spoke regarding the commemoration of Memorial Day and our children learning about our nation's history.

Commissioner Hasegawa participated in a press conference last week with Governor Inslee and others to raise awareness about the public funds we've received to fund some of our big transformative projects like Terminal 5 and the importance of supporting the Climate Commitment Act.

Commissioner Felleman spoke regarding agenda item 10c and the artist selected, noting that the art is beautiful. He also spoke regarding maintaining art and the phenomenal art program portwide.

13. ADJOURNMENT

There was no further business and the meeting adjourned at 2:45 p.m.

Prepared:

Attest:

Michelle M. Hart, Commission Clerk

Ryan Calkins, Commission Secretary

Minutes approved: June 11, 2024

RETURN TO AGENDA



**COMMISSION
AGENDA MEMORANDUM**

Item No. 8b

ACTION ITEM

Date of Meeting June 11, 2024

DATE: June 4, 2024
TO: Steve Metruck, Executive Director
FROM: Eloise Olivar, AFR Senior Manager Disbursements
SUBJECT: Claims and Obligations – May 2024

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 May 01 through 31, 2024 as follows:

Payment Type	Payment Reference Start Number	Payment Reference End Number	Amount
Accounts Payable Checks	953564	954035	11,166,324.08
Accounts Payable ACH	066056	066907	70,768,282.46
Accounts Payable Wire Transfers	016308	016325	18,492,599.27
Payroll Checks	212389	212923	116,839.65
Payroll ACH	1196497	1201301	15,914,379.65
Total Payments			\$116,458,425.11

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

OVERSIGHT

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

Meeting Date: June 11,2024

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 May 2024, over \$ 100,427,205.81 in payments were made to nearly 686 vendors, comprised of 2,925 invoices and over 12,926 accounting expense transactions. About 93 percent of the accounts payable payments made in the month fall into the Construction, Employee Benefits, Payroll Taxes, Contracted Services, Leasehold Taxes, Public Expense, Utility Expenses, Sales Taxes, Legal and Janitorial Services. Net payroll expense for the month of May was \$ \$16,031,219.30.

Top 10 Payment Category Summary:

Category	Payment Amount
Construction	51,433,357.69
Employee Benefits	10,781,012.76
Payroll Taxes	10,020,919.02
Contracted Services	6,656,085.11
Leasehold Taxes	3,684,448.09
Public Expense	3,276,381.42
Utility Expenses	2,812,993.33
Sales Taxes	1,661,250.09
Legal	1,395,791.06
Janitorial Services	1,294,915.60
Other Categories Total:	7,410,051.64
Net Payroll	16,031,219.30
Total Payments:	\$116,458,425.11

Meeting Date: June 11,2024

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 June 11, 2024, 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

RETURN TO AGENDA



**COMMISSION
AGENDA MEMORANDUM
FOR INFORMATION ONLY**

Item No. 8c
Date of Meeting June 11, 2024

DATE: June 11, 2024
TO: Stephen P. Metruck, Executive Director
FROM: Karen R. Goon, Deputy Executive Director

SUBJECT: Monthly Notification of Prior Executive Director Delegation Actions May 2024

APPROVAL SUMMARY

Notification of the following Executive Director delegated approvals that occurred in May, 2024

Category of Approval	Request#	Description of Approvals May 2024	Category Amount
Projects & Associated Contracts	1179-2024	Airport Slot Coordination Contract Authorization	\$800,000.00
Projects & Associated Contracts	1131-2024	Maritime Planning IDIQ	\$2,000,000.00
Projects & Associated Contracts	1182-2024	T91 Fire Alarm Panel Replacement	\$600,000.00
Projects & Associated Contracts	1187-2024	Upper Drive Traffic Attenuator	\$1,200,000.00
Non-Project Procurement of Goods & Purchased Service Contracts, Other Contracts, & Tenant Reimbursement	1199-2024	ABD Plan Review & Inspection Services	\$1,200,000.00
Non-Project Procurement of Goods & Purchased Service Contracts, Other Contracts, & Tenant Reimbursement	1241-2024	AVCM Ecommerce Digital Marketing Services	\$1,250,000.00
Real Property Agreements		No Approvals in May	\$0.00

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Non-Project Procurement of Goods & Purchased Service Contracts, Other Contracts, & Tenant Reimbursement	1204-2024	Memorandum of Agreement Between the Port of Seattle and Washington State Department of Commerce	\$15,000.00
Non-Project Procurement of Goods & Purchased Service Contracts, Other Contracts, & Tenant Reimbursement	1251-2024	Extension of MOU between POS&COS re Easing Access for Cruise Ops @ P66 on Alaskan Wy	\$90,000.00
Non-Project Procurement of Goods & Purchased Service Contracts, Other Contracts, & Tenant Reimbursement	1152-2024	Duwamish SLR MOU	\$0.00
Non-Project Procurement of Goods & Purchased Service Contracts, Other Contracts, & Tenant Reimbursement	1248-2024	MOA for ARFF Transition	\$0.00
Utilization of Port Crews		No Approvals in May	\$0.00
Sale of Surplus Port Property		No Approvals in May	\$0.00
Total Value of Executive Director Approvals			\$7,155,000.00

TRANSPARENCY:

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

BACKGROUND:

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

The foundation for Resolution No. 3810 included significant data analysis, employee surveys, and internal audit recommendation. Resolution No. 3810 also aligns with the Port Century Agenda in that it helps make the Port

Meeting Date: June 11, 2024

a more effective public agency. Considerations and checks and balances have been built into the associated processes of Executive Director approvals including a high bar of transparency.

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

RETURN TO AGENDA



**COMMISSION
AGENDA MEMORANDUM**

Item No. 8d

ACTION ITEM

Date of Meeting June 11, 2024

DATE: May 15th, 2024

TO: Stephen P. Metruck, Executive Director

FROM: Jennifer Maietta, Director, Real Estate Asset Management
Sam Hansen, Capital Project Manager, Waterfront Project Management
Sarah Ogier, Director, Maritime Environmental & Sustainability

SUBJECT: T-91 LED Lighting Upgrades - Design (CIP #C801297)

Amount of this request: \$700,000
Total estimated project cost: \$3,600,000

ACTION REQUESTED

Request Commission authorization for the Executive Director to complete design of LED lighting and controls upgrades at T-91. This request is for \$700,000 and would increase the total project authorization to date to \$750,000 out of a total estimated project cost of \$3,600,000.

EXECUTIVE SUMMARY

The project addresses insufficient lighting at T-91 in the areas of Piers 90/91, the uplands and trail lighting. All existing fixtures will be upgraded to LED, which will reduce required energy consumption and advance the Port’s sustainability goals identified in the Maritime Climate and Air Action Plan (MCAAP). The project will replace approximately 374 existing fixtures on 125 poles with LED fixtures to create a uniform lighting type throughout T-91 and reduce light pollution where possible. It will also install new lighting control systems and smart meters that will interface with all facility lighting. Community outreach will include project briefings to the Port’s Neighbors Advisory Committee (NAC) representing the Magnolia and Queen Anne neighborhoods. Outreach will also include a lighting demonstration at the 30% design stage to better inform NAC members regarding the proposed lighting improvements.

JUSTIFICATION

This project supports the following Century Agenda, Sustainable Evaluation Framework, and MCAAP goals:

- (1) Meet all increased energy needs through conservation and renewable sources.
- (2) 75% of Port managed spaces converted to LED by 2025
- (3) 100% of Port and tenant managed spaces converted to LED by 2030.

Meeting Date: June 11, 2024

LED lighting upgrades will:

- (1) Reduce greenhouse gas emissions and energy consumption by replacing high energy use lighting with efficient LED lighting.
- (2) Protect health and the environment by ensuring lighting does not leach zinc into the Puget Sound waters.
- (3) Protect the community and aquatic habitat by limiting light pollution, utilizing directional shields, and considering warm light tones (2700 Kelvin) with high color rendering index (CRI).

This project aims to improve safety and visibility for Port staff and tenants at T-91 by installing new LED fixtures and an updated lighting control system. The installation of LED fixtures on high mast poles will reduce lighting energy consumption which will be monitored by smart meters.

Diversity in Contracting

Project team is leveraging an existing IDIQ contract that has an overall women and minority-owned business enterprise (WMBE) commitment of 25% of total amounts paid, including amendments.

DETAILS

The project will upgrade the current pole mounted lighting fixtures and lighting control systems and install smart meters at T-91. The design will be performed by a consultant under an IDIQ contract with support from Port Engineering, Information & Communication Technology (ICT), the Marine Maintenance Electrical Shop, and Maritime Environment & Sustainability. Total project design costs are estimated to be \$750,000.

This project will achieve an energy savings of roughly 612,356 kWh per year by installing more efficient lighting. This equates to about 1.7 tons of CO₂ reduced per year. LED fixtures have a longer service life than the existing light fixtures and will result in reduced maintenance costs for the Port as well.

Scope of Work

Work will replace all current pole mounted lighting - a combination of older LED, plasma, and high-pressure sodium (HPS) - with LED fixtures. The updated fixtures will be supported by new lighting control systems and connected to new smart meters as applicable. Conduct small works lighting demonstration at 30% design to receive input from the NAC about possible lighting concerns.

Schedule

This project will be coordinated with the following T-91 projects: T-91 Uplands Development; T-91 Trail Bridge Removal and Segment Widening; T-91 Berths 6 & 8 Redevelopment; T-91 Buildings (M-39, W-28, 19) Demolition; utility and sustainability planning efforts.

Meeting Date: June 11, 2024

Activity

Commission design authorization	2024 Q2
Design start	2024 Q3
Commission construction authorization	2025 Q2
Construction start	2025 Q3
In-use date	2026 Q2

Cost Breakdown

	This Request	Total Project
Design	\$700,000	\$750,000
Construction	\$0	\$2,850,000
Total	\$700,000	\$3,600,000

ALTERNATIVES AND IMPLICATIONS CONSIDERED

Alternative 1 – Do nothing – leave existing fixtures in place and replace in kind as required for facility lighting maintenance.

Cost Implications: No capital project funding utilized; higher long-term expense costs.

Pros:

- (1) Retains Port capital for other priority projects and financial initiatives.
- (2) Avoids temporary lighting disruptions/construction impacts to existing tenants.

Cons:

- (1) Does not advance the Port’s Century Agenda goals and MCAAP.
- (2) Existing (lack of) lighting control systems, metering, and facility lighting level deficiencies issues will continue.
- (3) Ongoing higher operating costs for less energy efficient non-LED lighting fixtures.

This is not the recommended alternative.

Alternative 2 –Replace lighting as failures occur with LED. Limited replacement of existing lighting at T-91

Cost Implications: Capital project fund savings due to reduced scope of work.

Pros:

- (1) Reduced utilization of capital project funds.
- (2) Address immediate areas of lighting deficiencies throughout T-91.

Cons:

- (1) Does not address Port’s Century Agenda goals and MCAAP to the extent a full lighting replacement.
- (2) Does not address lack of functional lighting control system.
- (3) Lighting fixture type inconsistent will persist.
- (4) Does not take advantage of all SCL rebates and annual utility savings.

Meeting Date: June 11, 2024

This is not the recommended alternative.

Alternative 3 – Proposed scope - Install new LED fixtures on pole mounted lights, smart meters, and lighting control system at T-91.

Cost Implications: Utilize capital project funding; lower long-term expense costs.

Pros:

- (1) Advances the Port’s Century Agenda goals and MCAAP.
- (2) Energy efficiency, more power available for other uses on terminal.
- (3) Resolves existing lighting control, metering, and facility lighting level deficiencies.
- (4) Lower operating and maintenance costs with energy efficient LED fixtures and control systems.
- (5) Take advantage of SCL rebates and annual utility savings.
- (6) Standardization of LED lighting throughout T-91 and Port facilities.

Cons:

- (1) Utilizes Port capital project funds that could be used for other projects.
- (2) Temporary lighting disruptions to existing tenants.
- (3) Temporary lighting may be required during install.

This is the recommended alternative.

FINANCIAL IMPLICATIONS

Estimated Energy Savings: 612,356 kWh/yr.

Estimated Utility (SCL) Rebate: \$171,739

Estimated Annual Utility Savings: \$61,235

Cost Estimate/Authorization Summary

	Capital	Expense	Total
COST ESTIMATE			
Original estimate	\$3,570,000	\$30,000	\$3,600,000
AUTHORIZATION			
Previous authorizations	\$50,000	\$0	\$50,000
Current request for authorization	\$670,000	\$30,000	\$700,000
Total authorizations, including this request	\$720,000	\$30,000	\$750,000
Remaining amount to be authorized	\$2,850,000	\$0	\$2,850,000

Annual Budget Status and Source of Funds

Funding for this project was included in the 2024 Capital Plan under CIP C801297 with a total estimated cost of \$2.76 million. The updated project cost estimate has been incorporated into the draft 2025 Capital Plan currently in development.

This project is funded by the Tax Levy.

Meeting Date: June 11, 2024

Financial Analysis and Summary

Project cost for analysis	\$3,600,000
Business Unit (BU)	Cruise, Elliot Bay Fishing & Commercial, and Portfolio Management
Effect on business performance (NOI after depreciation)	The initial annual energy savings from this project is approximately \$60K. Annual depreciation will increase by approximately \$120K based on an estimated 30-year service life. The project also qualifies for a \$171K rebate from Seattle City Light.
IRR/NPV (if relevant)	N/A
CPE Impact	N/A

ATTACHMENTS TO THIS REQUEST

- (1) Presentation slides

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

N/A

T-91 LED Lighting Upgrades - Design

WP# N10343, CIP:C801297

June 11, 2024

Jennifer Maietta, Director, Real Estate Asset Management

Sam Hansen, Project Manager, Waterfront Project Management

Sarah Ogier, Director, Maritime Environmental & Sustainability



Action Request

Request Commission authorization for the Executive Director to complete design of LED lighting and controls upgrades at T-91. This request is for \$700,000 and would increase the total project authorization to date to \$750,000 out of a total estimated project cost of \$3,600,000.

Overview

- Project Location
- Project Scope & Sustainability
- Community Outreach
- Financial Implications
- Preliminary Schedule
- Summary Recommendation

Project Location – T-91



Project Scope

- Replace all existing pole mounted lighting with LED fixtures
- Install new lighting control systems
- Install smart meters
- Conduct small works lighting demonstration at 30% design stage



Project Sustainability

- **Advance the Port's Century Agenda sustainability goals**
 - Objective 9: Meet all increased energy needs through conservation and renewable sources
- **MCAAP (Maritime Climate and Air Action Plan)**
 - 75% of Port managed spaces converted to LED by 2025
 - 100% of Port and Tenant managed spaces converted to LED by 2030
- **Sustainable Evaluation Framework**
 - Reduce greenhouse gas emissions and energy consumption by replacing high energy use lighting with efficient LED lighting
 - Protect health and the environment by ensuring lighting does not leach zinc into the Puget Sound.
 - Protect the community and aquatic habitat by limiting light pollution, utilizing directional shields, and considering warm light tones

Community Outreach

- Initial project information provided at Neighbors Advisory Committee (NAC) on May 15th
- Lighting demonstration planned at 30% design stage to provide NAC members an opportunity to provide input on project.

Financial Implications

ITEM	THIS REQUEST	TOTAL PROJECT
Design	\$700,000	\$750,000*
Construction	\$0	\$2,850,000
TOTAL	\$700,000	\$3,600,000

*Includes prior authorization of \$50,000 seed money for planning

Estimated Energy Savings: 612,356 kWh/yr.

Estimated Utility (SCL) Rebate: \$171,739

Estimated Annual Utility Savings: \$61,235

Preliminary Schedule

Commission Design Authorization Community Outreach	2024 Q2
Design Start	2024 Q3
Commission Construction Authorization	2025 Q2
Construction Start	2025 Q3
In-Use Date	2026 Q2

[RETURN TO AGENDA](#)



**COMMISSION
AGENDA MEMORANDUM**

Item No. 8e

ACTION ITEM

Date of Meeting June 11, 2024

DATE: May 22, 2024

TO: Stephen P. Metruck, Executive Director

FROM: Sarah Ogier, Director Maritime Environment and Sustainability
Kathy Bahnick, Senior Manager, Remediation Programs
Roy Kuroiwa, Senior Environmental Program Manager and Port RDR

SUBJECT: Terminal 115 Plant 1 Ecology Agreed Order Cleanup Site

Amount of this request:	\$2,000,000
Total estimated project cost:	\$5,500,000
Total requested project cost:	\$5,500,000
Source of Funds:	ERL Non Ops

ACTION REQUESTED

Request Commission authorization for the Executive Director to increase the overall project cost by \$2,000,000 to \$5,500,000 to account for increased planning costs and need for significantly increasing field investigation efforts; and to amend an existing Maritime Environmental Site Management Support Services IDIQ contract with Floyd Snider Inc in the amount of \$2,000,000 for a new not to exceed total of \$4,000,000, and extend the contract by 2 years to complete the remaining work.

EXECUTIVE SUMMARY

An overall project cost authorization increase is requested because the costs to prepare the investigation work plan were much greater than what was originally planned and budgeted, and the approved work plan requires a field investigation that is considerably larger (e.g., double the soil borings and groundwater wells) than was originally anticipated.

The Department is also seeking Commission authorization to amend an existing contract with a \$2,000,000 contract value increase and a 2-year date extension to perform the remaining work. Staff proposes to use the firm Floyd Snider, Inc. (FSI) to complete the Agreed Order Project SOW (Attachment 2), as described above. Floyd Snider is under an existing IDIQ contract (P-00320547 for \$2,000,000, with a balance of \$1,000,000) for environmental site management and remediation support.

Meeting Date: June 11, 2024

The Port is currently working on early analysis for cleanup of the Terminal 115 site. This 100-acre terminal has a long history of industrial uses (Attachment 3). Today, the terminal supports a cold-storage facility for seafood and a container yard.

The Agreed Order requires the Port and Boeing, both signatories to the state order for this site, to perform an environmental assessment and prepare a cleanup plan for the Port's T-115 property on the Lower Duwamish Waterway (LDW). The state Agreed Order requires the Port and Boeing to complete a specific scope of work (SOW, Attachment 2) within a specified schedule or possibly incur stipulated penalties or charges for self-performance by the state. The current consultant firm has completed the first phase of the SOW (e.g., field investigation work plan). The remaining SOW tasks include implementing the field investigation, preparing the findings report (Remedial Investigation or RI report) and a cleanup alternatives plan (Feasibility Study or FS), and finally a Cleanup Action Plan (CAP). Attachment 3 is a community outreach and information handout and describes the overall project.

JUSTIFICATION

This state Agreed Order cleanup project covers the Port's 100-acre Terminal 115 along the LDW, and is the location of Boeing's historic Plant 1 and the red barn. The project requires multiple phases of work (e.g., Work Plan, RI, FS, dCAP) for Ecology to determine if a cleanup on the property is necessary to protect human health (workers and Port personnel) or the environment (source control to the Lower Duwamish River) and if cleanup is required, the Port must also identify what cleanup approaches could be used for this site. Given the enormous size of the property, its manufacturing and industrial history, and state stipulated SOW and schedule, the Port and Boeing are aware that this work will likely result in some level of site cleanup and must be performed by an experienced and technically qualified firm.

Ecology approved the field investigation Work Plan (prepared by another firm) in February which triggers a deadline to complete the field investigation work within 18 months (August 2025). At the conclusion of preparing the work plan by one firm, the Port and Boeing have agreed to the need to secure a new firm for completion of the remaining work. Boeing and the Port have recommended completing the remaining phases of work with a new firm, Floyd Snider, using an existing Port IDIQ. Floyd Snider's extensive and related experience is expected to result in a successful outcome of completing the state required work in an efficient manner, cost effectively and within the stipulated schedule and deadlines.

Floyd Snider or FSI has abundant cleanup experience with the EPA and Ecology along the LDW, and is familiar with this Agreed Order Project. FSI has provided a preliminary SOW and budget for the remaining work, which falls well within the new project budget request. FSI as the prime consultant allows them to manage and direct all contracted services, including drilling and laboratory services. With their participation, the overall projected project WMBE utilization would be well above 60% by the end of the project.

Meeting Date: June 11, 2024

Diversity in Contracting

The current firm’s contract commitment for WMBE participation is 16%. Changing to FSI (a WMBE firm) as the new prime consultant will likely result in a 60% utilization by the end of the project.

DETAILS

The SOW detailed in the state Agreed Order requires that the Port and Boeing perform the work necessary to evaluate the underlying (e.g., soil and groundwater) environmental conditions of the T-115 property and determine if a cleanup is necessary to protect human health and the environment. This work is used to determine: a) what is the source, nature and extent of the contamination; b) is there an imminent threat to human health or the environment; c) are there sources of contamination to the river; d) is cleanup necessary: and if cleanup is necessary what cleanup approaches could be used. These state ordered projects are considerably more difficult because the site is adjacent to the LDW, a federal Superfund site, habitat for pacific salmon and tribal fishing grounds, and home to Environmental Justice communities of South Park and Georgetown. It is important that the prime environmental consultant is experienced and effective in these projects.

Scope of Work

The state’s Agreed Order SOW is expected to be performed by a professional consulting firm hired by the Port (and Boeing pays their share of costs, which is 50%). As detailed in Exhibit B of the Agreed Order, the SOW is divided into four major tasks:

- Task 1 – Remedial Investigation (RI) Work Plan (*completed by others*)
- Task 2 – Remedial Investigation sampling and reporting
- Task 3 – Interim Action(s), if required
- Task 4 – Feasibility Study (FS) and SEPA compliance
- Task 5 – draft Cleanup Action Plan (dCAP)
- Task 6 – Public Participation

Schedule

The schedule of the required SOW as presented in the Ecology Agreed Order is as follows:

Activity

Commission authorization to sign Ecology Agreed Order (<i>completed</i>)	Q2-2020
Task 1 – RI Work Plan (<i>completed</i>)	Q1-2024
Amend the FSI IDIQ contract value and issue an SD to perform the work	Q2-2024
Task 2 – Perform the RI Sampling and Report	Deadline Q3-2025

Meeting Date: June 11, 2024

Tasks 4 and 5 – Prepare an FS and dCAP	2025-2026
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Cost Breakdown

Total Estimated Project Costs

RI Work Plan (<i>completed</i>)	\$950,000
Task 2 – RI Sampling and Report	2,000,000
Task 3 – Interim Actions	\$0
Task 4 – Feasibility Study or FS and SEPA compliance	\$300,000
Task 5 – Draft Cleanup Action Plan or dCAP	\$300,000
Project Management and Controls	\$500,000
Task 6 – Public Participation	\$150,000
Contingency (30%)	<u>\$1,300,000</u>
Total Project Costs:	\$5,500,000

ALTERNATIVES AND IMPLICATIONS CONSIDERED

Alternative 1 –Do Not Authorize the Increase in Total Project Costs or Amend an Existing IDIQ to complete the Ecology required SOW. Only complete a subset of the project tasks with the limited current budget.

Cost Implications: Not continuing with the Ecology Order SOW may result in the issuance of an enforcement order by Ecology, or Ecology may elect to perform the work themselves. This would result in the State recovering the cost of the work from the Port and Boeing, increasing the estimated costs by 1.5 to 3 times, roughly \$7 to \$13 million (from \$4,500,000).

Pros:

- (1) May delay the Port’s spending by a year or more while Ecology prepares the enforcement order.
- (2) May delay the work and costs while Ecology contracts and performs the work themselves, then compels the Port to reimburse Ecology for the costs.

Cons:

- (1) Increased legal and staff time and efforts to respond to an enforcement order and provide ancillary support to Ecology to carry out the enforcement order (gain access to the site, etc.)
- (2) The ultimate costs of the work will be much higher if Ecology elects to perform the work. Total project cost estimated to be approximately \$7 -13 million.
- (3) Not performing this work could tarnish the Port’s reputation with Ecology and the community where the Port is recognized as having a commitment to public health and being a steward of community resources and the environment.

This is not the recommended alternative.

Meeting Date: June 11, 2024

Alternative 2 – Authorize the Increase in Total Project Costs and Amend Existing IDIQ contract P-00320547 to complete the Ecology required SOW.

Cost Implications: Expected final, total project cost of \$5,500,000, which includes a 30% contingency to account for additional work due to changing site conditions or requirements by Ecology.

Cost Implications:

Pros:

- (1) Provides adequate budget to complete the project scope of work.
- (2) Complies with the Agreed Order and furthers the Port’s collaborative working relationship with Ecology.
- (3) Takes the next step leading to Terminal 115’s cleanup and long-term protection of human health and the environment.
- (4) Completing the full scope of work will provide thorough information about the site and likely help in the identification of other responsible parties for past releases besides Boeing.
- (5) Demonstrates the Port’s value of being responsible stewards of community resources and the environment.

Cons:

- (1) Additional, increased costs of approximately \$2,000,000 to complete the Agreed Order’s Statement of Work. Total project cost estimated at approximately \$5,500,000.

This is the recommended alternative.

FINANCIAL IMPLICATIONS

There is no funding request as part of this authorization. Funding for the associated scope of work is from the Tax Levy and costs are included in the annual Environmental Remedial Liability (ERL) authorization. Further, all of the project costs except Port staff costs will be shared equally by Boeing. The Port also has an Ecology grant to reimburse us for half of our costs. Certain costs may also be eligible for insurance reimbursement. Cost recovery from other, former owners or operators at the terminal may be pursued in the future.

Cost Estimate/Authorization Summary

	Capital	Expense	Total
COST ESTIMATE			
Original estimate	\$0	\$3,500,000	\$4,500,000
AUTHORIZATION			
Previous authorizations	0	\$3,500,000	\$3,500,000
Current request for authorization	0	\$2,000,000	\$2,000,000
Total authorizations, including this request	0	\$5,500,000	\$5,500,000
Remaining amount to be authorized	\$0	\$0	\$0

Meeting Date: June 11, 2024

ATTACHMENTS TO THIS REQUEST

- (1) Site map of Port's Terminal 115 (and former Boeing Plant 1)
- (2) T115 Plant 1 Ecology Agreed Order (SOW only)
- (3) T115 Plant 1 Community Outreach handout
- (4)

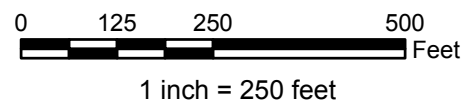
PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

October 30, 2023 – The Commission authorized 2024 – 2028 Cleanup and Investigation of Historical Contamination referred to as the Environmental Remediation Liability (ERL) Program, which also included spending ERL funds for 2024.

June 9, 2020– The Commission authorized (a) the signing of an Ecology Agreed Order for the T115 Plant 1 Ecology Agreed Order, and (b) the signing of Cost Sharing Agreement with Boeing, and (c) procurement of a \$3M contract with an environmental consulting firm to perform this work.



Terminal 115



- - - - - Port of Seattle Boundary
- - - - - Duwamish Commercial Waterway
- - - - - Federal Channel

Aerial Photo Taken Spring 2012

**STATE OF WASHINGTON
DEPARTMENT OF ECOLOGY**

In the Matter of Remedial Action by:

The Port of Seattle and
The Boeing Company

AGREED ORDER

No. DE 18064

TO: The Port of Seattle
c/o Mr. Stephen P. Metruck
Executive Director
Pier 69
2711 Alaskan Way
Seattle, WA 98111

The Boeing Company
c/o Mr. Steven Shestag
Director of Environment
PO BOX 3707 M/C 9U4-08
Seattle, WA 98124

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EXHIBIT B SCOPE OF WORK (SOW) AND SCHEDULE

SCOPE OF WORK

PURPOSE

The work under this Agreed Order (AO) involves conducting a Data Summary Report, Remedial Investigation (RI), and Feasibility Study (FS), including interim actions if required, and preparing a preliminary Draft Cleanup Action Plan (DCAP) to select a cleanup alternative if agreed to by Ecology. The purpose of the RI, FS, and preliminary DCAP for the Site is to provide sufficient data, analysis, and evaluations to enable Ecology to select a cleanup alternative for the Site.

The Port of Seattle and Boeing (PLPs) shall coordinate with Ecology throughout the development of the RI/FS, Data Summary Report, Interim Action, and preliminary DCAP and shall work closely with Ecology on Work Plan development, reporting, and project implementation as needed.

The work to be performed under this AO will focus on characterizing known and suspected hazardous substances at the Site. The Remedial Investigation/Feasibility Study for the Lower Duwamish Waterway (LDW), focused on the nature and extent of hazardous substance contamination in sediments to evaluate remedial alternatives. The USEPA may require additional investigations of the LDW sediments. The LDW Record of Decision addressed contamination caused by an EPA-defined list contaminants of concern (COCs) in sediments in the LDW, which may differ from the COC list for the Site. Based on existing data and data gaps, an investigation of sediments adjacent to and near the upland portion of the Site may be required under the terms of this AO.

The SOW is divided into nine major tasks as follows:

- Task 1. Data Summary Report
- Task 2. RI Work Plan
- Task 3. Remedial Investigation
- Task 4. Interim Action(s) (if required)
- Task 5. Feasibility Study
- Task 6. SEPA Compliance
- Task 7. Public Participation
- Task 8. DCAP
- Task 9. Progress Reports

TASK 1. DATA SUMMARY REPORT

The PLPs shall prepare a Data Summary Report that briefly updates general facility information, history and conditions, past investigations including data collection and results since issuance of the Environmental Conditions Report in 2011, hazardous substances sources, etc. The Data Summary Report will include data in tabular and figure form, and will include Preliminary Cleanup Levels published by Ecology that are protective of surface water for comparison.

TASK 2. RI WORK PLAN

The PLPs shall prepare an RI Work Plan. The RI Work Plan shall include an overall description and schedule of all RI activities. The RI Work Plan shall define the project management strategy for implementing and reporting on RI activities, the responsibility and authority of all organizations, and key personnel involved in conducting the RI will be outlined.

A RI Planning Meeting will be held prior to submittal of the RI Work Plan. The purpose of the RI Planning Meeting is to review requirements for the RI Work Plan and plan RI fieldwork, discuss the preliminary Conceptual Site Model, and identify project data needs and possible interim actions.

The RI Work Plan shall describe general facility information; site history and conditions, including previous operations; past field investigations, including any data collection and analysis of soils, air, groundwater, surface water, and sediments compared to screening levels; a preliminary conceptual site model showing contaminants, migration pathways in all environmental media, potential receptors, geology and groundwater system characteristics; past, current, and future land use; identification of natural resources and ecological receptors; hazardous substances and their sources, etc.; in compliance with WAC 173-340-350 and WAC 173-204-560.

As part of the project background, existing environmental data on site soil, groundwater, surface water, and sediments will be compiled and evaluated for data gaps. The data gaps will be used as the basis for conducting additional site investigations, if necessary. The RI Work Plan will also identify specific data collection procedures in a Sampling and Analysis Plan (SAP) and Quality Assurance Project Plan (QAPP) as part of the RI Work Plan in compliance with WAC 173-340-820 and WAC 173-204-600 for defining the nature and extent of contamination. The PLPs will also submit a copy of the Health and Safety Plan (HASP) for the project.

The SAP identifies the proposed number and location of all environmental samples and methods, including soil borings; groundwater monitoring wells; soil, groundwater, seep, catch basin, and sediment samples; approximate depths of soil boring, monitoring wells, and sediment samples; and includes a QAPP. The SAP will describe the sampling objectives; the rationale for the sampling approach (based upon the identified data gaps), and plans for data use; and shall provide a detailed description of sampling tasks. The SAP shall describe specifications for sample identifiers; sampling equipment; the type, number, and location of samples to be collected; the analyses to be performed; descriptions of sampling equipment and methods to be used; sample documentation; sample containers, collection, and handling; data and records management; and schedule.

The QAPP will be prepared in accordance with the Guidance for Preparation of Quality Assurance Project Plans, EPA Region 10, Quality Data Management Program, QA/R-5 and requirements of the EPA Contract Laboratory Program. The QAPP will also follow Ecology's Guidelines for

Preparing Quality Assurance Project Plans for Environmental Studies (July 2004)¹ and Sediment Sampling and Analysis Plan Appendix (February 2008)² if sediment sampling is needed. Laboratories must meet the accreditation standards established in WAC 173-50. Data quality objectives will reflect the criteria or threshold values used for the source control evaluation.

The SAP, including the QAPP and HASP, will be submitted to Ecology for review and approval. Work may not begin without written approval from Ecology. The plan shall provide seven (7) days notice to Ecology prior to beginning sampling. Ecology may obtain split samples.

The PLPs or their contractors shall submit all sampling data generated under this SAP and any other collected data to Ecology for entry into the Environmental Information Management System (EIM) in accordance with WAC 173-340-840(5) and Ecology's Toxics Cleanup Program Policy 840: Data Submittal Requirements. All validated data will be entered into the EIM database within thirty (30) days of final data report submittals.

RI Work Plan tasks and subtasks may include, but are not limited to the following, as necessary to resolve data gaps identified in the RI Work Plan:

- Sampling and analysis of soil, groundwater, product, and seeps.
- Sampling and analysis of stormwater and catch basin solids to determine whether the stormwater system is a source of contamination to sediments.
- Evaluate the potential to contaminate or recontaminate sediments, including analysis of the following pathways:
 - Direct discharges
 - Stormwater discharges
 - Overland flow
 - Groundwater discharges and seeps
 - Soil erosion
 - Site operations
 - Spills, dumping, leaks, housekeeping, and management practices
- Defining the nature and extent of contamination based on screening levels protective of all receptors at and downgradient of the Site.

The PLPs will provide Ecology with two (2) copies of the Agency Review Draft RI Work Plan, including one electronic copy each in Word (.doc) and Adobe (.pdf) formats, to Ecology for review and comment. Once Ecology reviews and approves the RI Work Plan, it will be considered the Final RI Work Plan, and can then be implemented. Once approved by Ecology, PLPs shall prepare two (2) copies of the Final RI Work Plan and submit them, including one electronic copy each in Word (.doc) and Adobe (.pdf) formats, to Ecology. The PLPs will implement the Final RI Work Plan according to the schedule contained in this Exhibit.

¹ Found at <http://www.ecy.wa.gov/biblio/0403030.html>

² Found at <http://www.ecy.wa.gov/biblio/qapp.html>

TASK 3. REMEDIAL INVESTIGATION

The PLPs shall conduct a RI that meets the requirements of WAC 173-340-350(7) and WAC 173-204-560 according to the Final RI Work Plan as approved by Ecology. The RI will determine the nature and extent of contamination exceeding preliminary Model Toxics Control Act (MTCA) and Sediment Management Standards (SMS) cleanup levels, and other regulatory requirements. The RI must provide sufficient data and information to define the nature and extent of contamination.

Field sampling and analysis will be completed in general accordance with the SAP and QAPP. Deviation(s) from the approved SAP and QAPP must be communicated to Ecology immediately and documented as required by Ecology.

Laboratory analysis data shall also be provided in electronic format when it has been validated. Raw laboratory data will be provided to Ecology upon request. Validated analytical data shall be uploaded into EIM within thirty (30) days of the submittal of the RI and any other report containing new data.

Prior to submittal of the Agency Review Draft RI Report, a RI Pre-Report Check-In will be held. During the RI Pre-Report Check-In, Ecology and the PLPs will review available data and an updated conceptual site model and discuss the content and organization of the Draft RI Report.

The PLPs shall compile the results of the RI into an Agency Review Draft RI Report. The PLPs shall prepare two (2) copies of the Agency Review Draft RI Report and submit them, including one electronic copy each in Word (.doc) and Adobe (.pdf) formats, to Ecology for review and comment.

After incorporating Ecology's comments on the Agency Review Draft RI Report and obtaining Ecology approval, the PLPs shall prepare five (5) copies of a Public Review Draft RI Report and submit them, including one electronic copy of each in Word (.doc) and Adobe (.pdf) formats, to Ecology for distribution and public comment. Electronic survey data for monitoring locations, electronic lab data, and electronic GIS and autocad files including maps of contaminant distribution shall also be provided for both the Agency Review Draft RI Report and Public Review Draft RI Report either in the report or as attachments. The RI Report will not be considered final until after a public review and comment period.

If the data collected during this investigation is insufficient to define the full nature and extent of contamination and/or to select a cleanup action plan, an additional phase of investigation shall be conducted to define the extent of contamination.

TASK 4. INTERIM ACTIONS (if required)

Remedial actions implemented prior to completion of the RI/FS, including those that:

- are technically necessary to reduce a threat to human health or the environment by eliminating or substantially reducing one or more pathways for exposure to a hazardous substance

- correct a problem that may become substantially worse or cost substantially more to address if the remedial action is delayed
- are needed to provide for completion of the RI/FS or design of the cleanup action

will be considered interim actions, will be implemented in accordance with WAC 173-340-430 and the AO, and will be designed in a manner that will not foreclose reasonable alternatives for any final cleanup action that may be required.

As detailed in the AO, if required by Ecology, or if proposed by the Port and Boeing and approved by Ecology, the PLPs will implement an interim action. Based upon information in the Agency Review Draft RI Report, interim action(s) may be needed to expedite control of releases to sediments or other environmental media pursuant to WAC 173-340-430.

The scope of the interim actions may include, but not be limited to, typical source control or containment elements such as:

- Soil removal
- Groundwater remediation
- Sediment
- Repair, slip lining, replacement, or closure of stormwater conveyances or other structures such as conduits, vaults, catch basins, etc.
- Removal of underground storage tanks and pipes
- Removal of old drain fields or former surface impoundments
- Proper abandonment of old wells
- Removal of contaminated building or other structural material
- Construction of a treatment facility
- Shoreline stabilization such as bulkhead repair, erosion or seepage control, and grading or clearing

If an interim action is to be performed, the PLPs will prepare and submit for Ecology approval an Agency Review Draft Interim Action Work Plan (IAWP) with detail commensurate with the work to be performed. The Agency Review Draft IAWP shall include, as appropriate:

- Description of the interim action including its purpose, general requirements, and relationship to the (final) cleanup action (to the extent known)
- Summary of relevant RI/FS information, including at a minimum existing site conditions and alternative interim actions considered
- Information regarding design and construction requirements, including a proposed schedule and personnel roles and responsibilities
- Compliance Monitoring Plan
- SAP/QAPP
- Permits required

The PLPs will also submit a copy of the Health and Safety Plan for the project. The PLPs will be responsible for complying with the State Environmental Policy Act (SEPA) Rules, including

preparing and submitting an environmental checklist for the interim action, and will assist Ecology with presentations at any additional meetings or hearings that might be necessary for SEPA compliance or as part of the Public Participation Plan.

Once approved by Ecology, the PLPs will implement the interim action according to the schedule contained in the IAWP.

The PLPs shall prepare two (2) copies of the Agency Review Draft IAWP and submit them, including one electronic copy each in Word (.doc) and Adobe (.pdf) formats, to Ecology for review. The PLPs shall incorporate Ecology's comments and then prepare two (2) copies of the Public Review Draft IAWP and submit them, including one electronic copy each in Word (.doc) and Adobe (.pdf) formats, to Ecology. After a public notice and comment period for the Public Review Draft IAWP (and SEPA determination), Ecology will approve the IAWP (if appropriate) and the document will be considered final. The PLPs shall prepare three (3) copies of the Final IAWP and submit them, including one electronic copy each in Word (.doc) and Adobe (.pdf) formats, to Ecology for review and approval. Once approved by Ecology, the Port and Boeing will implement the interim action according with the approved schedule.

Upon successful completion of the work, an Agency Review Draft Interim Action Report will be prepared as a separate deliverable. The PLPs shall prepare two (2) copies of the Agency Review Draft Interim Action Report and submit them, including one electronic copy each in Word (.doc) and Adobe (.pdf) formats, to Ecology for review and approval. After incorporating Ecology's comments on the Agency Review Draft Interim Action Report and after Ecology approval, the Port and Boeing shall prepare three (3) copies of the Final Interim Action Report and submit them, including one electronic copy each in Word (.doc) and Adobe (.pdf) formats, to Ecology. Electronic GIS and autocad files shall also be provided for all Draft and Final Reports.

TASK 5. FEASIBILITY STUDY

The PLPs shall use the information obtained in the RI to prepare an Agency Review Draft Feasibility Study (FS) that meets the applicable requirements of WAC 173-340-350(8) according to the Schedule in this Exhibit. The Agency Review Draft FS will evaluate remedial alternatives for site cleanup, consistent with MTCA and SMS requirements to ensure protection of human health and the environment by eliminating, reducing, or otherwise controlling risk posed through each exposure pathway and migration route.

Prior to beginning the FS, a FS Planning Meeting will be held to review Applicable, Relevant and Appropriate Requirements (ARARs), potential remedial alternatives, and establish points of compliance.

The Agency Review Draft FS will provide a detailed analysis of each remedial alternative according to the applicable requirements of WAC 173-340-350, MTCA Remedial Investigation and Feasibility Study, and WAC 173-204-560, SMS Cleanup Study. The remedial alternatives will be evaluated for compliance with the applicable requirements of WAC 173-340-360, Selection of Cleanup Actions, and WAC 173-204-560(4), including a detailed evaluation of remedial alternatives relative to the following criteria:

- Compliance with cleanup standards and applicable laws
- Protection of human health
- Protection of the environment
- Provision for a reasonable restoration time frame
- Use of permanent solutions to the maximum extent practicable
- The degree to which recycling, reuse, and waste minimization are employed
- Short-term effectiveness
- Long-term effectiveness
- Net environmental benefit
- Implementability
- Provision for compliance monitoring
- Cost-effectiveness
- Prospective community acceptance

The remedial alternative that is judged to best satisfy the evaluation criteria will be identified. Justification for the selection will be provided, and the recommended remedial alternative further developed, in the FS Report.

The PLPs shall prepare two (2) copies of the Agency Review Draft FS and submit them, including one electronic copy each in Word (.doc) and Adobe (.pdf) formats, to Ecology for review. After addressing Ecology's comments on the Agency Review Draft FS, the Port and Boeing shall prepare three (3) copies of the Public Review Draft FS and submit them, including one electronic copy each in Word (.doc) and Adobe (.pdf) formats, to Ecology for distribution and public comment. The FS will not be considered final until after a public review and comment period.

TASK 6. SEPA COMPLIANCE

The PLPs shall be responsible for complying with the State Environmental Policy Act (SEPA) Rules, including preparing and submitting an environmental checklist. If the result of the threshold determination is a determination of significance (DS), the PLPs shall be responsible for the preparation of draft and final environmental impact statements. The PLPs shall assist Ecology with coordinating SEPA public involvement requirements with MTCA public involvement requirements whenever possible, such that public comment periods and meetings or hearings can be held concurrently.

TASK 7. PUBLIC PARTICIPATION

The PLPs shall assist Ecology to prepare a Draft and Final Public Participation Plan that complies with the provisions of WAC 173-340-600(9).

The PLPs shall support Ecology in presenting the Public Review Draft RI Report and the Public Review Draft FS Report, Public Review Draft CAP, and SEPA evaluations at one public meeting or hearing for each document. A combined public meeting or hearing may be held with Ecology approval. The PLPs will assist Ecology with presentations at any additional meetings or hearings that might be necessary for SEPA compliance or as part of the Public Participation Plan.

After the public comment periods are completed, the PLPs shall prepare an Agency Review Draft Responsiveness Summary that addresses public comments. The PLPs shall prepare two (2) copies of the Agency Review Draft Responsiveness Summary and submit them, including one electronic copy each in Word (.doc) and Adobe (.pdf) formats, to Ecology for review and approval.

After incorporating Ecology's comments and after Ecology approval, the PLPs shall prepare five (5) copies each of the Final Responsiveness Summary, Final RI Report, and Final FS Report after public comments are incorporated and submit them to Ecology for distribution, including one electronic copy each in Word (.doc) and Adobe (.pdf) formats.

TASK 8. PRELIMINARY DRAFT CLEANUP ACTION PLAN

Upon Ecology approval of the Public Review Draft Remedial Investigation Report and Public Review Draft Feasibility Study, a Cleanup Action Plan Meeting will be held regarding the Cleanup Action Plan. The Cleanup Action Plan Meeting will be used to review plans for developing the Agency Review preliminary Draft Cleanup Action Plan (DCAP).

The PLPs shall prepare an Agency Review preliminary DCAP in accordance with WAC 173-340-380 that provides a proposed remedial action to address the contamination present on the Site. Where contaminated sediments are included in the remedial action, the cleanup plan will comply with WAC 173-204-580, in addition to the MTCA requirements cited above. The preliminary DCAP shall include a general description of the proposed remedial actions; cleanup standards developed from the RI/FS and rationale regarding their selection; a schedule for implementation; description of any institutional controls proposed; and a summary of applicable local, state, and federal laws pertinent to the proposed cleanup actions.

The PLPs will submit an Agency Review preliminary DCAP for Ecology's review and approval. The Agency Review preliminary DCAP will include, but not be limited to, the information listed under WAC 173-340-380. The PLPs shall prepare two (2) copies of the Agency Review preliminary DCAP and submit them, including one electronic copy each in Word (.doc) and Adobe (.pdf) formats, to Ecology for review and approval.

After receiving Ecology's comments on the Agency Review preliminary DCAP, if any, the PLPs shall revise the preliminary DCAP to incorporate Ecology's comments and submit five (5) copies of the Public Review DCAP, including one electronic copy each in Word (.doc) and Adobe (.pdf) formats. Electronic GIS and autocad files shall also be provided for both Draft Reports.

TASK 9. PROGRESS REPORTS

- The PLPs shall submit progress reports quarterly. Progress reports shall be submitted to Ecology until satisfaction of this AO in accordance with Section VII.C of the AO. Progress reports shall be submitted to the Ecology project coordinator by the 15th of the month following the reporting quarter. If this day is a weekend or holiday, deliverables

will be submitted to Ecology on the next business day. At a minimum, progress reports shall contain the information regarding the preceding reporting period: a description of the actions taken to comply with this Order, including a list of on-site activities that have taken place during the quarter.

- Summaries of sampling and testing reports and other data reports received by the PLPs, including all raw data (including laboratory analyses) during the past quarter and identification of the sources of the samples.
- Description of all deviations from the Scope of Work and Schedule (described herein) during the current quarter and any planned deviations in the upcoming quarter.
- For any deviations in schedule, a plan for recovering lost time and maintaining compliance with the schedule.
- Summaries of solutions developed and implemented or planned to address any actual or anticipated problems or delays.
- Summaries of contacts with representatives of the local community, public interest groups, press, and federal, state, or tribal governments.
- Changes in key personnel.
- A description of work planned for the next reporting period, including a list of deliverables for the upcoming quarter.

Progress reports will be submitted as separate documents or as an attachment to an email distribution list.

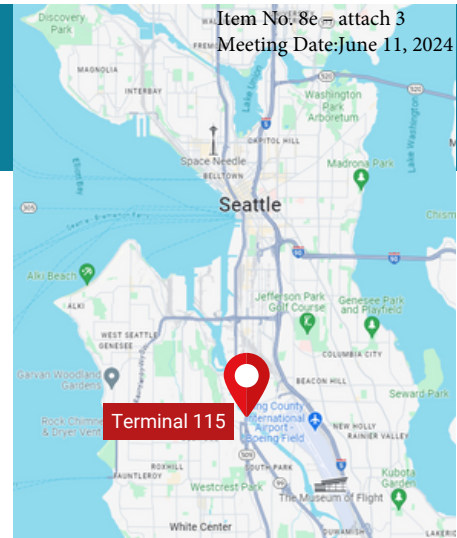
SCHEDULE OF DELIVERABLES

The schedule for deliverables described in the Agreed Order and the Scope of Work is presented below. If the date for submission of any item or notification required by this Schedule of Deliverables occurs on a weekend, state or federal holiday, the date for submission of that item or notification is extended to the next business day following the weekend or holiday. Where a deliverable due date is triggered by Ecology notification, comments or approval, the starting date for the period shown is the date the PLPs received such notification, comments or approval by certified mail, return receipt requested, unless otherwise noted below. Where triggered by Ecology receipt of a deliverable, the starting date for the period shown is the date Ecology receives the deliverable by certified mail, return receipt requested, or the date of Ecology signature on a hand-delivered form.

RI/FS Deliverables	Completion Times
Data Summary Report	PLPs to submit 6 months following the effective date of the Agreed Order
Agency Review Draft RI Work Plan	90 calendar days following Ecology's approval of the Data Summary Report
Final RI Work Plan	PLPs to submit 60 calendar days after incorporating Ecology comments on Draft RI Work Plan.
Completion of RI Fieldwork	18 months following Ecology's approval of the Final RIWP, SAP, QAPP, and HSP
Agency Review Draft RI Report	PLPs to submit 90 days following receipt of laboratory data set
Public Review Draft RI Report	PLPs to make available 60 calendar days following receipt of Ecology comments on Agency Review Draft RI Report
Agency Review Draft FS	PLPs to submit 90 days following completion of Public Review Draft RI Report
Public Review Draft FS	PLPs to make available 60 calendar days following receipt of Ecology's comments on the Agency Review Draft FS
Agency Review Preliminary Draft Cleanup Action Plan (DCAP)	PLPs to submit 90 calendar days following the meeting between the PLPs and Ecology to discuss Ecology's evaluation of public comments on the Draft FS and the PLPs plans for the DCAP

Where is the Site?

The T-115 Plant 1 Site is located along the western shore of the Lower Duwamish Waterway and consists of 94 acres owned by the Port of Seattle.



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Meeting Date: June 11, 2024



Terminal 115 Plant
Source: Department of Ecology

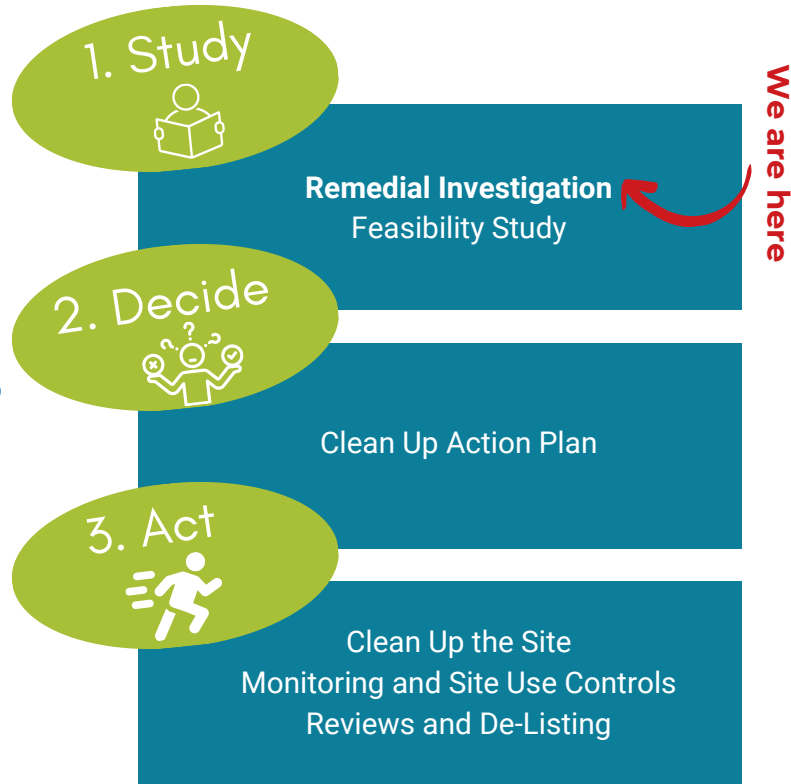
What is the cleanup goal?

Activities in this industrial corridor over many decades have shaped the landscape we see today. Under an Agreed Order (AO) with the Department of Ecology, the Port of Seattle and The Boeing Company are conducting a Remedial Investigation (RI), which will lead to a Cleanup Action Plan to create a cleaner waterway.

What is the history of T-115?

Terminal 115 has had many uses across the decades. From 1917 to 1970 a portion of the Terminal was the site of the Boeing Plant 1, Boeing's first airplane facility where wood and metal airplanes were manufactured. Other historic uses of the property included retail gasoline service stations, gravel and cement production, salvage yard, and storage of log booms. Today, the Site is a cold storage plant for seafood and a container terminal.

What is the process?



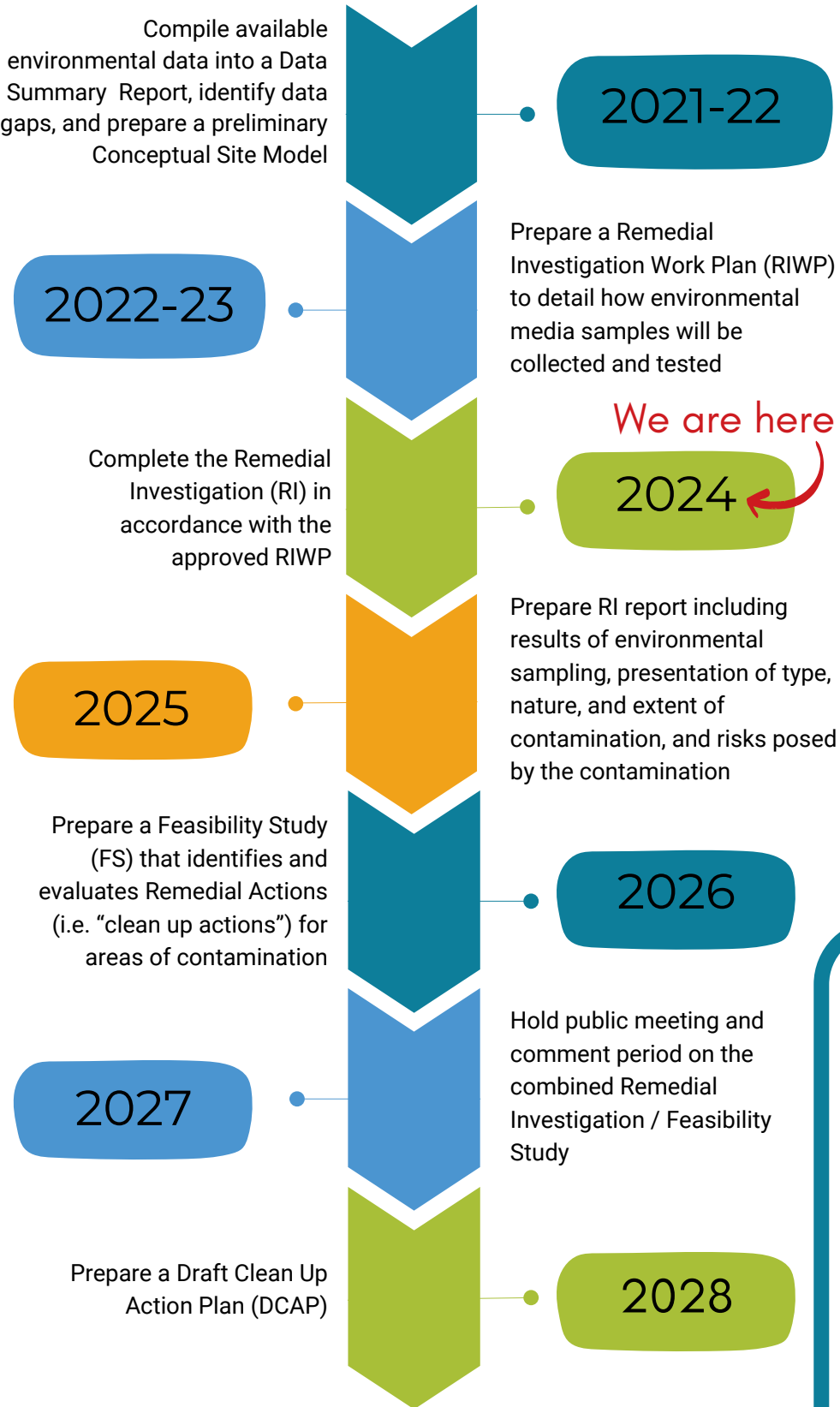
What contaminants are expected to be found?

- Metals (arsenic, lead, other)
- Polychlorinated biPhenyls (PCBs)
- Volatile Organic Compounds (solvents, benzene)
- Polycyclic Aromatic Hydrocarbons (PAHs)

- Petroleum (diesel, gasoline)

The Remedial Investigation will identify the exact contaminants.






T-115 CLEAN UP TIMELINE



What is a Remedial Investigation?

The goal of a Remedial Investigation (RI) is to collect soil, groundwater, and possibly soil gas quality data to understand the contaminants that exist, where they are located, and how they move through the Site. The RI data will lead to developing cleanup alternatives for the contaminated parts of the Site.

Get in Touch

-  Roy Kuroiwa, Port of Seattle
kuroiwa.r@portseattle.org
-  Beau Johnson, Ecology Site Manager
BeJo461@ecy.wa.gov
-  Josh Bernthal, TRC
jbernthal@trccompanies.com
-  Terminal115.org
-  info@terminal115.org

[RETURN TO AGENDA](#)



**COMMISSION
AGENDA MEMORANDUM**

Item No. 8f

ACTION ITEM

Date of Meeting June 11, 2024

DATE: May 21, 2024

TO: Stephen P. Metruck, Executive Director

FROM: Sarah Ogier, Director-Maritime Environment & Sustainability
Jon Sloan, Sr. Manager-Environmental Programs
Kathleen Hurley, Sr. Environmental Program Manager

SUBJECT: Request for Adoption of Resolution Authorizing the Sale of Surplus Mitigation Bank Credits (Second Reading)

Amount of this request: None

Total estimated project cost: Expected positive cash flow \$48 million

ACTION REQUESTED

Request Adoption of Resolution No. 3824: A Resolution to Determine 500 Mitigation Credits from the Port’s Terminal 117 (T117) Mitigation Bank Site Are Surplus in Accordance with RCW 53.08.090 and EX-30; and to Authorize the Executive Director to Enter into a Purchase and Sale Agreement to Sell Those Credits at Fair Market Value.

EXECUTIVE SUMMARY

This is the first transaction for the Port’s mitigation bank, which was designed to support creation of important fish and wildlife habitat in the Green-Duwamish River Watershed. This will ultimately result in approximately \$48,000,000 cash flow that can support future restoration actions within the Port’s Habitat Initiatives Line of Business.

In 2016, the Port developed its PORTfolio Restoration Plan and the Habitat Initiatives Line of Business, with the expressed intent to restore and/or create high-functioning habitat in the Green-Duwamish River Watershed and create a mitigation bank with marketable credits. The PORTfolio Restoration Plan identified 16 initial habitat projects, including both past and future restoration actions. In 2019, the Port further refined the PORTfolio Restoration Plan by preparing the Joint Wetland Mitigation and Habitat Conservation Bank Prospectus, which was submitted to Washington State Department of Ecology and the U.S. Army Corps of Engineers (the Agencies) for review. The Prospectus included conceptual designs for three primary sites to be constructed initially, including Terminal 117 and Terminal 25 under the Maritime Division portfolio, and the

Meeting Date: June 11, 2024

Aviation-owned Auburn Site. The site selection process used criteria for size, connectivity, distribution, and urgency to identify properties as appropriate for mitigation bank development; it also considered existing resources or liabilities preventing other uses. In parallel, the Port worked with the Elliott Bay Trustee Council to establish Terminal 117 as a Natural Resource Damage (NRD) credit bank.

Construction of the restoration and improvements at the Terminal 117 Site, which is now known as Duwamish River People’s Park and Shoreline Habitat, or DRPP, was completed in 2022.

JUSTIFICATION

This transaction will be the first for the Habitat Initiatives Line of Business and is consistent with the Port’s mission to support economic development and its Century Agenda goal to restore 40 acres of habitat. Credits associated with the DRPP Site Mitigation Bank are surplus to the Port’s own needs for mitigation. Proceeds from the transaction may support future habitat restoration actions on Port properties. Finally, this transaction is consistent with the intent of the mitigation bank and the Port’s Habitat Initiatives Line of Business and is consistent with Port Policy EX-30, “Habitat and Mitigation Banking: Surplus Sales.”

Diversity in Contracting

No goal related to diversity in contracting was established because this item is related to the sale of mitigation credits generated by the Port’s mitigation bank. The request does not involve contracting of services.

DETAILS

The subject mitigation credits were generated at the Terminal 117 Site Mitigation Bank, which is now known as Duwamish River People’s Park and Shoreline Habitat, or DRPP. The Site is under a 10-year monitoring and maintenance plan and is protected by a conservation easement and the Port’s commitment to provide stewardship in perpetuity. The proposed transaction includes the sale of 500 NRD credits for a total of approximately \$48 million to be paid in accordance with the terms of the purchase and sale agreement. The Port will retain ownership of the DRPP site and continue with use, maintenance and stewardship as currently planned.

Schedule

Activity

Commission meeting (first reading)	2024 Q2
Commission meeting (second reading)	2024 Q2
Execution of Purchase and Sale Agreement	2024 Q2/Q3
Initial Deposit	2024 Q3
First Payment	2025 Q1
Second Payment	2026 Q1
Final Payment	2027 Q1

ALTERNATIVES AND IMPLICATIONS CONSIDERED

The alternatives considered for this action were to either proceed with the transaction to sell 500 mitigation credits or not to pursue the sale of the credits.

Alternative 1 – Proceed with the sale of 500 mitigation credits from the DRPP Mitigation Bank Site.

Cost Implications: Generates approximately \$48,000,000 in cash flow over a four-year period.

Pros:

- (1) Demonstrates proof of concept for the Habitat Initiatives Line of Business and the Port of Seattle would be the first port in Washington State to undertake this type of transaction.
- (2) This alternative would result in approximately \$48,000,000 cash flow over a four-year period.
- (3) Cash flow can contribute towards additional restoration in the Duwamish Valley – specifically at T25 allowing increased momentum and progress towards Century Agenda goal #4 objective 12: *to restore, create, and enhance 40 additional acres of habitat in the Green/Duwamish*

Cons:

- (1) The sale of 500 mitigation credits would reduce the number of mitigation credits available for other potential future use.

This is the recommended alternative.

Alternative 2 – Do not proceed with the sale of 500 mitigation credits from the DRPP Mitigation Bank Site.

Cost Implications: No cash flow from sale. Retain asset for future use by Port or for sale to others.

Pros:

- (1) Retain all DRPP mitigation credits for future sale to third parties or potential future use by the Port to resolve a portion of its NRD liability.

Cons:

- (1) Foregoing opportunity to generate approximately \$48,000,000 cash flow over a four-year period for the Port’s Habitat Initiatives Line of Business.
- (2) Loss of cash flow that could impact future habitat restoration actions and achievement of the Century Agenda habitat restoration goal. May result lower total number of acres restored than Alternative 1.
- (3) Soil cleanup and shoreline rehabilitation would still need to occur at Terminal 25.

This is not the recommended alternative.

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FINANCIAL IMPLICATIONS

The sale will result in approximately \$48,000,000 cash flow over a four-year period. To ensure an ongoing supply for Port use and/or future sales, additional mitigation credits will be developed through projects at other sites within the mitigation bank (including Terminal 25 South).

ADDITIONAL BACKGROUND

The Port's Century Agenda Goal 4, to be the greenest and most energy efficient port in North America, includes Objective 12, to restore, create, and enhance 40 additional acres of habitat in the Green/Duwamish Valley. In pursuit of this goal, in 2016, the Maritime Division established the Habitat Initiatives Line of Business, including a mitigation bank, that would enable the Port to restore habitat and sell the intangible "credits" generated by the Port's restoration efforts.

A mitigation bank includes natural resource areas (often a wetland, stream, marine nearshore area, or riparian zone) that have been created, re-established, rehabilitated, enhanced or, in certain circumstances, preserved for the purpose of providing compensation for impacts to natural resources. A Mitigation Bank can be, among other types, a "wetland mitigation bank," a "conservation mitigation bank," or an "NRD bank," within the context of current regulatory markets. A "wetland mitigation bank" is a site established pursuant to Washington State Department of Ecology guidelines where wetlands are created, re-established, rehabilitated, enhanced, or preserved for the express purpose of providing compensatory mitigation in advance of unavoidable impacts to wetlands or other aquatic resources. A "conservation mitigation bank" is a site established pursuant to federal agency guidelines administered by the National Marine Fisheries Service (NMFS) and/or United States Fish & Wildlife Service (USFWS), that through legal instruments such as conservation easements permanently protects lands that contain natural resource values for species that are endangered, threatened, candidates for listing as endangered or threatened, or are otherwise species-at-risk under the federal Endangered Species Act. An NRD bank is a site established through an agreement with the local NRD Trustee Council (in the Port's case, the Elliott Bay Trustee Council, comprised of representatives of the federal government, state government, Muckleshoot Indian Tribe, and Suquamish Tribe) to provide habitat restoration pursuant to an agreement with the Trustee Council.

By establishing the Habitat Initiatives line of business, the Port is able to sponsor and promote a multi-site, multi-benefit mitigation bank to restore fish and wildlife habitat in furtherance of Century Agenda Goal 4. Through the sale of surplus credits, the Port may recover some or all of the costs associated with the construction of such habitat and generate cash flow that can be applied to future restoration work or other Port initiatives.

Development of the 14-acre Terminal 117 site (also known as the Duwamish River People's Park and Shoreline habitat, DRPP) occurred over almost two decades, from Port acquisition of the site (2000) to cleanup of contamination (2012-2014), and construction of the habitat and public access (2020-2022). The site incorporates public access via the fishing pier and overlook, artwork, and interpretive signage alongside the restored habitat, consisting of riparian and

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marsh vegetation and intertidal and subtidal habitats. The DRPP site generates public and environmental benefit in an environmental justice community.

The habitat components of the DRPP site generated 521.5 credits for compensation related to Natural Resources Damages (NRD), known as dSAYs (discounted service acre years). The project constitutes the Port's first mitigation bank project, and we believe the Port of Seattle would be the first port in Washington State to complete a transaction should this sale proceed. The Port does not need these credits for its own settlement purposes.

Since the Habitat Initiatives Line of Business was established in 2016, Port staff have been engaged in the mitigation bank market in Washington State, and, more locally in the Lower Green-Duwamish River service area. The novelty of mitigation markets in this geography and lack of predictability in regulatory timelines drive credit price uncertainty. However, based on limited publicly available prices of similar available mitigation credits, recent mitigation credit settlements, estimated costs to build new restoration sites within the service area, and market conditions, Port staff have determined this transaction price reflects fair market value, consistent with Port Policy EX-30. Furthermore, transaction of mitigation credits provides an opportunity to generate benefits to the general public by expanding green space in a highly urbanized area, providing important fish and wildlife habitat, while advancing the Port's pursuit of its Century Agenda and equity goals.

ATTACHMENTS TO THIS REQUEST

- (1) Proposed Purchase and Sale Agreement
- (2) Resolution 3824

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

- 1) May 28, 2024 – Staff introduced the first reading of the Resolution to Adoption of Resolution Authorizing the Sale of Surplus Mitigation Bank Credits.
- 2) July 23, 2019 – Commission authorized procurement of General Contractor/Construction Manager (GC/CM) for the Terminal 117 Habitat Restoration and Duwamish Shoreline Access Project
- 3) March 26, 2013 – Commission authorized purchase of the southern portion of the South Park Marina float structure to accommodate habitat restoration and complete permitting and design for a public access viewpoint pier at T117.
- 4) June 7, 2011 - Commission authorized design and permitting for Terminal 117 Expanded Habitat Design and execution of a professional services agreement to complete the design and permitting.
- 5) July 7, 2009 – Commission adopted the Lower Duwamish River Habitat Restoration Plan, an inventory of Port of Seattle Properties.
- 6) May 13, 2008 – Commission approved entering into a MOA with the Elliott Bay Trustee Council for crediting habitat restoration projects in and near the LDW relating to future settlement of natural resource damages claims: for execution of a professional services

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agreement for environmental review and application of permit authorizations; and to prepare plans and specifications for design and permitting of a fish and wildlife habitat restoration project at T-117 under the MOA.

BANK CREDIT PURCHASE AGREEMENT TERMINAL 117 RESTORATION SITE HABITAT BANK

This Bank Credit Purchase Agreement (“Agreement”) is made by and between the Port of Seattle, a Washington municipal corporation (“Bank Sponsor” and “Seller”), and Lockheed Martin Corporation, a Maryland Corporation (“Buyer”), each a “Party” and collectively the “Parties.”

1. RECITALS

- 1.1.** Bank Sponsor is the owner of the Terminal 117 Restoration Site Habitat Bank (“T117 Habitat Bank”), created and administered pursuant to the Natural Resource Restoration and Enhancement Credit Protocol signed by the Bank Sponsor and the National Oceanic and Atmospheric Administration (“NOAA”) on behalf of the Elliott Bay Trustee Council (“Trustee Council”), effective December 4, 2019 (the “Credit Protocol,” attached as Exhibit 1).
- 1.2.** The purpose of the Terminal 117 Habitat Bank is to provide compensatory mitigation for natural resources damages (“NRD”), including impacts to wetlands, fish habitat, and other critical areas.
- 1.3.** Upon final approval by the Trustee Council, Bank Sponsor will be authorized to obtain, hold, sell, and transfer discounted service-acre year credits (“DSAY Credits”) generated by the T117 Habitat Bank, said credits being units of trade representing the increase in ecological value of a site.
- 1.4.** Buyer wishes to purchase from Bank Sponsor, and Bank Sponsor wishes to sell to Buyer, DSAY Credits from the T117 Habitat Bank in order to compensate the Trustee Council for NRD, on and subject to the terms and conditions contained in this Agreement.

2. AGREEMENT

NOW THEREFORE, in consideration of the mutual covenants and conditions and promises contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is acknowledged, Bank Sponsor and Buyer agree as follows:

2.1. Purchase/Sale of DSAY Credits

- 2.1.1. Purchase/Sale.** Bank Sponsor hereby sells to Buyer, and Buyer hereby buys from Bank Sponsor, on and subject to the terms, covenants, and conditions set forth in this Agreement, 500 DSAY Credits.
- 2.1.2. Purchase Price and Payment.** The Purchase Price is ninety-five thousand, eight hundred and no/100 (US\$ \$95,800.00) per DSAY Credit. Buyer agrees to pay the Purchase Price to Bank Sponsor as follows:
 - (i) Initial Deposit: \$11,000,000 is due within 60 days of the Effective Date of

this Agreement as defined in Section 2.7.1.

- (ii) First Payment: A minimum payment of \$14,000,000 is due on or before February 1, 2025.
- (iii) Second Payment: A minimum payment of \$19,938,480 is due January 14, 2026.
- (iv) Final Payment: A minimum payment of \$2,961,520 is due on or before January 14, 2027.

2.1.3 **Payment by ACH.** Buyer shall transmit each payment to Seller by ACH, following the instructions set forth in Exhibit 2.

2.1.4 **Late Fees.** The finance charge for any payments received after the due date is 0.0493% per day based on outstanding balance (including accrued interest) (consistent with Port's tariff).

2.2. Project Information; Limitation on Transfer.

2.2.1. **Suitability.** Except as provided in section 2.3.3 below, Buyer shall be solely responsible for obtaining determinations from applicable agencies as to whether the DSAY Credits are suitable for Buyer's intended purpose. Bank Sponsor makes no representations or warranties of any kind, express or implied, as to the suitability, utility, applicability, sufficiency, or otherwise, of the DSAY Credits to Buyer, and any and all such representations and warranties are hereby expressly disclaimed by Bank Sponsor and waived by Buyer. Buyer acknowledges and agrees that Bank Sponsor is selling the DSAY Credits specifically for the purpose identified in Section 2.2.2 below, and that this Agreement and the DSAY Credits shall not be transferable by Buyer.

2.2.2. **Project.** The DSAY Credits shall be used solely for settlement of Buyer's alleged NRD liability pursuant to a consent decree between NOAA, on behalf of the Trustee Council, and Buyer.

2.3. Representations and Warranties

Bank Sponsor represents and warrants to Buyer that:

2.3.1. Upon final approval by the Trustee Council, Bank Sponsor will be authorized by the Trustee Council to operate the T117 Habitat Bank and to obtain, hold, sell, and transfer DSAY Credits; and

2.3.2. Any interest of Bank Sponsor in the DSAY Credits is free and clear of conditions or restrictions, except as otherwise provided in this Agreement, the Bill of Sale, or the Credit Protocol.

2.3.3. Bank Sponsor, and its successors and assigns, will maintain the T117 Habitat Bank

in accordance with any requirements established by the Trustee Council, as outlined in the Credit Protocol. In the event the Trustee Council determines that the T117 Habitat Bank has not been maintained in accordance with its requirements, Bank Sponsor shall be solely responsible for any adaptive management or remedial action, including but not limited to purchase or development of replacement bank credits required by the Trustee Council. In the event that Bank Sponsor does not fulfill this obligation and Buyer is required to purchase replacement credits from the Trustees in order to make up for a deficiency of credits (i.e., less than 500) generated by the T117 Habitat Bank, Bank Sponsor agrees to indemnify Buyer for the cost of the replacement credits as set forth in the Consent Decree between Buyer and the Trustees.

2.3.4. Except for the express representations and warranties in this Agreement (including but not limited to section 2.3.3 above), Seller makes no representations or warranties regarding the DSAY Credits; Bank Sponsor hereby disclaims, and Buyer hereby waives, any and all representations or warranties of any kind, express or implied, concerning the DSAY Credits, including but not limited to the suitability, utility, applicability, sufficiency, or otherwise, of the DSAY Credits to the purposes for which Buyer intends to use the DSAY Credits.

2.4. Closing

2.4.1. **Initial Deposit.** Buyer shall pay the Initial Deposit, as defined above in 2.1.2(i), by ACH transfer to Bank Sponsor within sixty (60) days of the Effective Date of this Agreement. If the total Initial Deposit is not so paid to Bank Sponsor, then this Agreement shall automatically terminate, and Bank Sponsor shall have no further obligation to sell the DSAY Credits to Buyer under this Agreement.

2.4.2. **Consent Decree.** Buyer shall use best efforts to negotiate a consent decree resolving its NRD liability with the Trustee Council, to be entered by a federal court of competent jurisdiction on or before February 1, 2025. Bank Sponsor will cooperate with Buyer and/or the Trustee Council if and as reasonably needed to either (1) incorporate into Buyer's consent decree the necessary terms of the Credit Protocol to effectuate transfer of the DSAY Credits or (2) incorporate such terms into Bank Sponsor's own consent decree with the Trustee Council.

2.4.3. **Deposit is Refundable until First Payment.** If a consent decree resolving NRD liability as between Buyer and the Trustee Council has not been executed by all signatories on or before February 1, 2025, Buyer may request a refund of its Initial Deposit in writing. Bank Sponsor shall issue such a refund, with no interest, within thirty (30) days of receiving such a request.

2.4.4. **Closing Upon First Payment.**

- (i) Buyer shall transmit by ACH transfer its First Payment as described above in 2.1.2(ii) on or before February 1, 2025.
- (ii) Within 14 days after Bank Sponsor's receipt of First Payment (in addition to

the Initial Deposit) and the Corporate Guarantee described in 2.4.5 below, Bank Sponsor shall deliver a Bill of Sale to Buyer transferring the DSAY Credits to Buyer.

- (iii) The “Closing” or “Closing Date,” and the transfer of the DSAY Credits, shall occur when the Bill of Sale is executed by Buyer. Upon Bank Sponsor’s receipt of First Payment, the Initial Deposit will no longer be refundable under Section 2.4.3, and no other payments shall be refundable.

2.4.6. Corporate Guarantee. If Buyer chooses to transmit the Purchase Price in installments rather than in its entirety as part of the First Payment, Buyer shall also deliver a corporate guarantee to Buyer, securing the amount of the Purchase Price still outstanding after the First Payment. Such corporate guarantee shall be a good and sufficient corporate surety company bond or other security (hereinafter referred to as the “Bond”) in accordance with the provisions of the laws of the State of Washington to secure the full performance by Buyer of all terms and conditions of this Agreement, including payment by Buyer of all amounts payable to the Bank Sponsor during the term of this Agreement. The form and provisions of the Bond, and the identity of the surety thereon, shall be subject to the approval of the Bank Sponsor. Bank Sponsor can provide a sample bond form upon request. The amount of the Bond shall be the amount of the Purchase Price not yet paid as of February 2, 2025. If Buyer fails to provide a bond, Buyer shall be considered in default hereunder and subject to the Bank Sponsor’s rights under Section 2.5.2 below. The Bond may provide for termination on the anniversary date thereof upon not less than one (1) year’s written notice to the Bank Sponsor if the Agreement is not in default at the time of said notice. In the event of any such termination, Buyer shall obtain a new Bond, also subject to Bank Sponsor approval, to replace the Bond being so terminated to be effective on or before the date of termination. Subject to Bank Sponsor’s approval, Buyer may, in lieu of a Bond, obtain a guaranty from a party acceptable to the Bank Sponsor in its sole discretion and subject to the guarantor executing a guaranty form acceptable to the Port in its sole discretion.

2.4.7. Second Payment. Buyer shall transmit by ACH transfer its Second Payment as described above in 2.1.2(iii) on or before January 14, 2026.

2.4.8. Final Payment. Buyer shall transmit by ACH transfer its Second Payment as described above in 2.1.2(iv) on or before January 14, 2027.

2.4.9. Limits on Closing Date. The Closing Date shall not be modified without the written approval of Bank Sponsor and Buyer.

2.4.10. Conveyance; Notice of Transfer. At Closing, Bank Sponsor shall convey to Buyer the DSAY Credits, free of conditions or restrictions, except as expressly provided for in this Agreement, the Bill of Sale, or the Credit Protocol. Conveyance shall be in the form of a Bill of Sale. In addition, Bank Sponsor will provide notification in writing and an updated bank credit ledger to the Buyer and Trustee Council notifying them that the DSAY Credits have been transferred by the Bank Sponsor to the Buyer for the purposes detailed in Section 2.2.2 of this Agreement.

2.4.11. **Taxes; Costs.** Buyer shall pay any sales tax or other tax due from the sale or purchase of the DSAY Credits under this Agreement, and shall defend, indemnify, and hold harmless Bank Sponsor from any and all claims, costs, fees (including but not limited to attorney fees), and expenses related to such taxes; Buyer's obligation under this section shall survive Closing. Except as provided above, each Party shall pay its own costs and attorney fees related to this Agreement and the transaction thereunder.

2.5. Termination; Default; Remedies

2.5.1. **Termination.** This Agreement may be terminated by Buyer at any time prior to Closing upon 10 days' written notice to Bank Sponsor. Upon termination and request by Buyer, Bank Sponsor shall refund the Initial Deposit, with no interest, to Buyer within thirty (30) days of receiving such request in writing. Once such refund has been transmitted, neither Party shall have any further obligation to the other under this Agreement.

2.5.2. **Default by Buyer.** If Buyer fails, without legal excuse or termination of this Agreement, to complete the purchase of the DSAY Credits in accordance with the terms of this Agreement, then Bank Sponsor may pursue payment of the remaining amount due, plus any applicable late fees pursuant to paragraph 2.1.4, through the Corporate Guarantee provided in in 2.4.6. At Bank Sponsor's discretion, in lieu of pursuing compensation under the Corporate Guarantee, the Parties may instead agree to terminate this Agreement and have Buyer return the pro-rata number of DSAY Credits not paid in full by the date of termination based on the price of US\$ 95,800.00 per DSAY Credit plus any applicable late fees.

2.5.3. **Default by Bank Sponsor.** If Bank Sponsor fails, without legal excuse, to complete the sale of the DSAY Credits by March 1, 2025, then Buyer may terminate this Agreement and recover the entire amount of the Initial Deposit and any other money paid by Buyer to Bank Sponsor for the DSAY Credits, with no interest, as liquidated damages as the sole and exclusive remedy available to Buyer for such failure. Buyer shall not be entitled to specific enforcement of transfer of the DSAY Credits, or consequential damages such as lost profits or damages, or any other remedy, for such failure or for any other claim related to this Agreement. Buyer may request a refund of all payments made no later than February 1, 2025. Bank Sponsor shall issue such a refund, within thirty (30) days of receiving such a request.

2.6. Notice

2.6.1. Except as may be otherwise expressly provided for herein, all notices required or permitted to be given under this Agreement shall be in writing and shall be delivered or sent: (a) in person; (b) by U.S. Mail, postage prepaid and certified with return receipt requested, and addressed as set forth below; (c) by nationally recognized overnight delivery service, prepaid, and addressed as set forth below; or (d) by email if a Party agrees to notice by email and provides an email address. Either Party may change its address by notifying the other Party in writing of the change of address. Notice shall be effective upon receipt or refusal of delivery by

the addressee for notice delivered in person or sent by U.S. Mail or courier, and shall be effective upon the addressee's written acknowledgement of receipt other than by an automated response for notice sent by email.

2.6.2. If to Bank Sponsor: Port of Seattle
Attn: Deputy General Counsel
Attn: Sr. Manager, Maritime Environmental Planning
2711 Alaskan Way
P.O. Box 1209
Seattle, WA 98111

As of the date of this Agreement:
Elizabeth Black, black.e@portseattle.org
Jon Sloan, sloan.j@portseattle.org

If to Buyer:

Lockheed Martin Corporation
Attn: Assistant General Counsel
6801 Rockledge Drive
Bethesda, MD 20817

As of the date of this Agreement:
Todd Billmire, todd.billmire@lmco.com
Brian Thorne, brian.thorne@lmco.com

2.7. Miscellaneous

2.7.1. **Effective date.** The Effective Date of this Agreement shall be the last date of signature below by Bank Sponsor and Buyer.

2.7.2. **Assignment.** Buyer's rights under this Agreement, and any DSAY Credits purchased (or to be purchased) by Buyer under this Agreement, shall not be assigned, sold, gifted, alienated, encumbered, apportioned, transferred, or otherwise disposed of (collectively "assign"), in whole or in part, either voluntarily or by operation of law, to any other person or entity, and any DSAY Credits to be purchased (or to be purchased) by Buyer under this Agreement shall not be used for any purpose other than as stated in this Agreement, without the prior written consent of Bank Sponsor, in its sole and absolute discretion. Any attempt to assign or otherwise transfer or use the DSAY Credits shall be null and void. This provision shall survive Closing and shall not be merged into the Bill of Sale. Subject to the foregoing limitation, this Agreement shall inure to the benefit of and be binding upon the Parties' respective successors and assigns.

2.7.3. **Entire Agreement.** This Agreement constitutes the entire agreement and understanding between the Parties with respect to the purchase and sale of the DSAY Credits, and supersedes and replaces any prior agreements and understandings, whether oral or written, between them with respect to said matters.

- 2.7.4. **Time.** Time is of the essence of this Agreement.
- 2.7.5. **Governing Law; Venue.** This Agreement shall be construed and interpreted in accordance with the laws of the State of Washington, without regard to its conflicts of laws principles. Venue of any dispute shall be in King County, Washington.
- 2.7.6. **Amendment; Waiver.** No change or modification of this Agreement shall be valid unless the same is in writing and signed by the Parties. No waiver of any provision of this Agreement shall be valid unless in writing and signed by the Party against whom it is sought to be enforced. No waiver of any provision of this Agreement shall constitute a waiver of any other provision of this Agreement, whether or not similar, nor shall any waiver constitute a waiver of any preceding, succeeding, or continuing occurrence or condition, unless expressly stated in the waiver.
- 2.7.7. **Captions.** The captions of this Agreement have no effect upon its interpretation and are for convenience and ease of reference only.
- 2.7.8. **Severability.** The unenforceability, invalidity, or illegality of any provision hereof shall not render any other provision unenforceable, invalid, or illegal.
- 2.7.9. **Computation of Time.** If any date set forth in this Agreement for the delivery of any document or the happening of any event should, under the terms hereof, fall on a weekend or legal holiday as defined in RCW 1.16.050, then such date shall be automatically extended to the next succeeding weekday that is not such a holiday.
- 2.7.10. **Attorneys' Fees.** In the event either Party to this Agreement finds it necessary to bring an action at law or other proceeding against the other Party to enforce any of the terms, covenants, or conditions of this Agreement or any instrument executed pursuant to this Agreement, or by reason of any breach or default under this Agreement, the prevailing party in any such action or proceeding (and any appeal thereof) shall be paid all costs and reasonable attorneys' fees by the other Party. This provision shall survive Closing and shall not be merged into the Bill of Sale.
- 2.7.11. **Acts Beyond Party's Control.** Neither Party to this Agreement shall be in default or violation as to any obligation created hereby and no condition precedent or subsequent shall be deemed to fail to occur if such Party is prevented from fulfilling such obligation by, or such condition fails to occur due to, forces beyond such Party's reasonable control, including without limitation, destruction or impairment of facilities resulting from breakdown not resulting from lack of ordinary care and maintenance, flood, earthquake, slide, storm, lightning, fire, epidemic, war, riot, civil disturbance, sabotage, proceeding by court or public authority, or act or failure to act by court, public authority, or third party, which forces by exercise of due diligence and foresight such Party could not reasonably have expected to avoid; provided, however, that the foregoing shall not apply with respect to any actions taken or events caused by such Party's own employees, or with respect to the payment of any amount due to the other Party under this

Agreement.

- 2.7.12. **No Joint Venture.** It is not intended by this Agreement to, and nothing contained in this Agreement shall, create any partnership, joint venture, or other arrangement between Buyer and Bank Sponsor. No term or provision of this Agreement is intended to be, or shall be, for the benefit of any person, firm, organization, or corporation not a party to this Agreement, and no such other person, firm, organization, or corporation shall have any right or cause of action hereunder.
- 2.7.13. **Counterparts/Faxes.** This Agreement may be executed in one or more counterparts with like effect as if all signatures appeared on one copy. Facsimile transmission of any signed original document (other than the Bill of Sale), and retransmission of any signed facsimile transmission shall be the same as delivery of an original. At the request of either party, the Parties shall confirm facsimile transmitted signatures by signing an original document.
- 2.7.14. **Commissions.** Each Party represents and warrants that it is not represented by any broker, agent, or other person in connection with any of the transactions contemplated by this Agreement, and that it has not dealt with any broker, agent, or other person to which a commission or other fee is due in connection with any of the transactions contemplated by this Agreement, and that insofar as it knows, no broker, agent, or other person is entitled to any commission, charge, or fee in connection with any of the transactions contemplated by this Agreement. Each Party agrees to indemnify, defend, and hold harmless the other Party against any loss, liability, damage, cost, claim, or expense, including interest, penalties, and reasonable attorney fees, that the other Party incurs or suffers by reason of a breach by the first Party of the representations and warranties set forth in this section.
- 2.7.15. **Disclosure of Public Records.** The Parties understand and acknowledge that the Port of Seattle is subject to the State of Washington Public Records Act. If either Party, or any person to whom a Party transmits any information pursuant to this Agreement, is legally required to disclose such information, including without limitation information subject to the State of Washington Public Records Act, then such Party will endeavor to provide written notice to the other Party prior to any such disclosure. Unless a protective order is obtained and provided to the Party subject to the disclosure request, the Party will release to the public the requested information, including any confidential information.
- 2.7.16. **Port of Seattle Authority.** The sale of personal property by the Port of Seattle is subject to all applicable requirements of RCW Title 53 and all other statutes, regulations, rules, orders, and law of any kind applicable to a sale of personal property by the Port of Seattle, and Port of Seattle resolutions and policies regarding the sale of personal property, including those related to the sale of mitigation bank credits. The Port of Seattle's authority to enter into this Agreement, to sell the DSAY Credits, and to perform its obligations under this Agreement, is subject to the approval of this Agreement and all terms of this transaction, or the delegation of authority for such approvals, by the Port of Seattle Port Commission in open public meeting, and the successful completion of all appropriate notice, approval, and

review processes necessary for the sale by the Port of Seattle, including any appeals.

PORT OF SEATTLE,
Bank Sponsor/Seller

LOCKHEED MARTIN CORPORATION,
Buyer

By: _____
Stephen P. Metruck, Executive Director

By: _____
Kevin Pearson, Director –
Environmental Remediation

Date:

Date:

**PORT OF SEATTLE
RESOLUTION NO. 3824**

A RESOLUTION of the Port Commission of the Port of Seattle declaring certain property surplus and no longer needed for port district purposes (500 mitigation credits) and authorizing the Executive Director to execute all documents related to the sale of such property.

WHEREAS, the Port of Seattle’s (Port) Century Agenda Goal 4, to be the greenest and most energy efficient port in North America, includes Objective 12, to restore, create and enhance 40 additional acres of habitat in the Green/Duwamish Valley;

WHEREAS, in furtherance of Goal 4 the Port created the Maritime Habitat Initiatives line of business, which includes a multi-site, multi-benefit mitigation bank to restore fish and wildlife habitat;

WHEREAS, the Port of Seattle created the Duwamish River People’s Park and Shoreline Habitat, formerly known as Terminal 17 ((the “Habitat Site”), as a mitigation bank site to generate mitigation credits for Port use and/or sale, while maintaining ownership and stewardship responsibility of the Habitat Site;

WHEREAS, the Port now owns 500 mitigation credits (the “Property”) generated by the Habitat Site, which are no longer needed for other purposes; and

WHEREAS pursuant to 53.08.090 of the Revised Code of Washington the Port Commission may declare surplus any property no longer needed for Port purposes and authorize its sale or other disposal;

WHEREAS, Port policy EX-30, “Habitat and Mitigation Banking: Surplus Sales” establishes a process for surplus and sale of mitigation credits;

WHEREAS, the Port has negotiated a purchase and sale agreement to sell such Property in accordance with RCW 53.08.090 and EX-30;

NOW, THEREFORE, BE IT RESOLVED by the Port Commission of the Port of Seattle as follows:

Section 1. The Property (500 mitigation credits) is hereby declared surplus to Port of Seattle needs and is no longer needed for Port purposes, and it is in the best interest of the Port that said Property be sold in accordance with State law and Port procedures.

Section 2. The Executive Director is authorized to take all necessary steps and to execute all documents, including a Purchase and Sale Agreement and Bill of Sale, necessary to accomplish the sale of the Property, in accordance with State law and Port procedures.

ADOPTED by the Port Commission of the Port of Seattle at a regular meeting held this _____ day of _____, 2024, and duly authenticated in open session by the signatures of the Commissioners voting in favor thereof and the seal of the Commission.

Port Commission



**COMMISSION
AGENDA MEMORANDUM**

Item No. 9a

ACTION ITEM

Date of Meeting June 11, 2024

DATE : June 4, 2024

TO: Stephen P. Metruck, Executive Director

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

SUBJECT: 2024 Salary and Benefits Program

ACTION REQUESTED

Request for adoption of the Salary and Benefits Resolution No. 3823, amending the policy directive for salaries and benefits for employees not covered by a collective bargaining agreement established by Resolution No. 3820 and providing an effective date for all amendments as of June 16, 2024.

This resolution establishes pay ranges for non-represented jobs and authorizes benefits that compromise the overall benefits package offered to non-represented Port employees. Since the introduction on May 14, 2024, Exhibit A has been updated to reflect job assessment changes. These changes are based on job description changes and re-assessment requests. They have not impacted the overall financial cost of implementing the new graded Salary Range Structure. The financial cost estimate has been updated to reflect staffing changes and additional employees that will have a salary adjustment to their minimum salary grade.

EXECUTIVE SUMMARY

The Salary and Benefits Resolution is the Port Commission’s authorization of the pay and benefits programs that are part of the Port’s overall Total Rewards package for non-represented employees. RCW 53.08.170 requires the Port Commission to authorize pay and benefits for non-represented employees by resolution. The Executive Director has the authorization to take necessary action to make effective all terms, provisions, and conditions within the Salary and Benefits Policy Directive. The Salary and Benefits Resolution establishes the pay ranges for non-represented jobs, authorizes new and updates existing elements of the compensation program and authorizes updates to benefits plans that comprise the overall benefits package offered to non-represented Port employees. This adoption will establish the new Non-Represented Graded Salary Range Structure and the Executive Leadership Graded Salary Range Structure, as well as the other recommended additions, deletions, and changes to the Salary and Benefits Policy

Meeting Date: June 11, 2024

Directive that are contained in Resolution No. 3823, provided in the package for the 2024 Salary and Benefits Resolution.

JUSTIFICATION

The Salary and Benefits Policy Directive specifies the pay and benefits programs authorized by the Port Commission, while specifics of these programs are maintained in Port policies and administrative details are found in program guides which are authorized by the Executive Director and Senior Human Resource Director. The Policy Directive also includes benefits offered to Port of Seattle retirees and to Port Commissioners, as well as the specifics and administrative details of these benefits. Updates to the program are designed to keep the authorized pay and benefits plans current and ensure the Total Rewards package they are part of continues to support the attraction and retention of employees with the talents and abilities necessary for the Port to achieve its mission, vision, and goals.

This year's recommendations include the new Non-Represented Graded Salary Range Structure and an Executive Leadership Graded Salary Range Structure resulting from the Compensation Project. This project is in the final year and has included contributions from many employees across the Port, together with a consultant, to review and update the non-represented pay program. The objective has been to ensure the Port's pay program is aligned to market and supports both competitive and fair pay.

DETAILS

The 2024 Salary and Benefits Resolution includes the following recommended updates.

Definitions

In Section 2, Definitions, we have recommended adjusting the "At-will" definitions and removing the section *'When a job opening is posted for an at-will position, the at-will designation will be identified in the posted notice. An offer of employment made to a current employee or external candidate for an at-will position will state that the position is at-will and exempt from any progressive discipline policy. Employees hired, or appointed, into at-will jobs prior to January 1, 2014, are allowed to continue under a legacy provision grandfathered as 'for cause' employees. However, any employee hired prior to January 1, 2014, who is transferred or promoted into an at-will position is no longer subject to the termination "for cause" standard and will be exempt from any progressive discipline policy.'* This adjustment supports the recommendations from the Compensation Project work, that all executive leadership will be moved to an at-will status, which would make this section no longer valid. We are also recommended adjusting the "Seasonal Employee" definition to indicate this *'hire period last 6 months or less'*. This is an administrative recommendation to align better with other supporting policies and Affordable Care Act regulations.

Policy Establishing Jobs, Pay Grades, Graded Pay Range Structure, and Pay Rates

In Section 5.1.C, Graded Salary Range Structure, we recommended adjusting the description of this section to align with changes recommended from the Compensation Project. This

Meeting Date: June 11, 2024

recommendation is replacing the term ‘*evaluated*’ with ‘*assessed*’ throughout this section and the phrase ‘*relative skill requirements, responsibilities*’ with the phrase ‘*essential responsibilities, minimum qualifications.*’ We also recommended a new proposed Non-Represented Employee Graded Salary Range Structure, which will reduce the grades from 36 to 20 and limit the overlapping of pay ranges, in addition to a new proposed Executive Leadership Graded Salary Range Structure.

In Section 5.1.D, Job Evaluation System, we recommended adjusting the language to replace any reference of ‘*evaluated, evaluation, or evaluation system*’ to ‘*assessed, assessment, or assessment process,*’ which will cascade throughout the entire policy directive. This recommendation aligns with the changes from the Compensation project and how jobs were previously reviewed to determine their value and the recommended new process to determine their value and place them within a pay range moving forward.

In Section 5.1.E (3), Initial Pay Rates, we recommended replacing the description with ‘*Pay rates for newly hired employee will be within the pay ranges set forth in the above graded Salary Range Structure. A newly hired employee's placement within the pay grade will be based on related experience they bring the Port.*’ This is to provide more clarity and align with the future changes from the pay equity methodology that will be implemented later in 2024.

In Section 5.1.G(2), We recommended removing and renumbering the section. Recommendations from the Compensation Project will be moving the Chief of Police, Fire Chief, Deputy Chief of Police, and Assistant Fire Chief positions from the non-assessed job section to be included in the assessed jobs within the Port’s Compensation Program.

Policy Regarding Benefit Programs Offered to Employees

In Section 5.2.C(1), Paid Leave, we recommend adjusting the definition of Port Paid Medical Leave and Port Paid Family Leave to align more closely with the State’s definition.

SUMMARY

The 2024 Salary and Benefits Resolution includes quite a few significant changes, mainly driven from our Compensation Project recommendations. In addition to the changes noted here we regularly review the language in the Salary and Benefits Policy Directive to identify more succinct ways to describe programs and clearer language to use. This year is no different and in addition to the recommended additions, deletions and updates we have identified several places where we will be suggesting edits to the Salary and Benefits Policy Directive to clarify a point, remove redundancy, or otherwise make the information clearer and easier to read.

FINANCIAL IMPLICATIONS

This year’s Salary and Benefits Resolution has quite a few changes and most do not have an impact on the Port’s payroll and related costs. With the implementation of this new pay structure there is an estimated cost of \$234,732 which is driven by 51 employees receiving an adjustment due to their base pay being below their new recommended pay range minimum.

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ATTACHMENTS TO THIS REQUEST

- (1) Draft Resolution No. 3823
- (2) Attachment A_2024 Non-Represented Graded Salary Range Structure
- (3) Attachment B_2024 Executive Graded Salary Range Structure
- (4) Exhibit A_2024 Schedule of Authorized Non-Represented Jobs
- (5) 2023 (Current) Pay Ranges for Non-Represented Jobs (for information only)
- (6) Presentation slides

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

May 28, 2024—Resolution No. 3820, the Salary and Benefits Resolution, was brought forward for adoption, the motion in on the floor, but moved to the June 11, 2024 meeting to clarify some additional questions.

May 14, 2024—The Commission was briefed and Resolution No. 3820, the 2024 Salary and Benefits Resolution, was introduced.

GRADED SALARY RANGE STRUCTURE

4% Range Adjustment Effective January 1, 2023

Item Number: 9a_attach

Meeting Date: June 11, 2024

Grade	Hourly			Annual		
	Minimum	Midpoint	Maximum	Minimum	Midpoint	Maximum
45	\$130.51	\$163.14	\$195.77	\$271,461	\$339,331	\$407,202
44	\$123.13	\$153.91	\$184.69	\$256,110	\$320,133	\$384,155
43	\$116.16	\$145.20	\$174.24	\$241,613	\$302,016	\$362,419
42	\$109.58	\$136.98	\$164.38	\$227,926	\$284,918	\$341,910
41	\$103.92	\$129.90	\$155.88	\$216,154	\$270,192	\$324,230
40	\$98.46	\$123.08	\$147.70	\$204,797	\$256,006	\$307,216
39	\$93.30	\$116.63	\$139.96	\$194,064	\$242,590	\$291,117
38	\$88.36	\$110.45	\$132.54	\$183,789	\$229,736	\$275,683
37	\$83.64	\$104.55	\$125.46	\$173,971	\$217,464	\$260,957
36	\$79.22	\$99.02	\$118.82	\$164,778	\$205,962	\$247,146
35	\$74.93	\$93.66	\$112.39	\$155,854	\$194,813	\$233,771
34	\$70.86	\$88.58	\$106.30	\$147,389	\$184,246	\$221,104
33	\$67.01	\$83.76	\$100.51	\$139,381	\$174,221	\$209,061
32	\$63.31	\$79.14	\$94.97	\$131,685	\$164,611	\$197,538
31	\$59.84	\$74.80	\$89.76	\$124,467	\$155,584	\$186,701
30	\$56.49	\$70.61	\$84.73	\$117,499	\$146,869	\$176,238
29	\$53.31	\$66.64	\$79.97	\$110,885	\$138,611	\$166,338
28	\$50.29	\$62.86	\$75.43	\$104,603	\$130,749	\$156,894
27	\$47.40	\$59.25	\$71.10	\$98,592	\$123,240	\$147,888
26	\$44.67	\$55.84	\$67.01	\$92,914	\$116,147	\$139,381
25	\$42.06	\$52.57	\$63.08	\$87,485	\$109,346	\$131,206
24	\$39.55	\$49.44	\$59.33	\$82,264	\$102,835	\$123,406
23	\$37.18	\$46.48	\$55.78	\$77,334	\$96,678	\$116,022
22	\$34.93	\$43.66	\$52.39	\$72,654	\$90,813	\$108,971
21	\$32.74	\$40.92	\$49.10	\$68,099	\$85,114	\$102,128
20	\$31.32	\$39.15	\$46.98	\$65,146	\$81,432	\$97,718
19	\$29.97	\$37.46	\$44.95	\$62,338	\$77,917	\$93,496
18	\$28.69	\$35.86	\$43.03	\$59,675	\$74,589	\$89,502
17	\$27.49	\$34.36	\$41.23	\$57,179	\$71,469	\$85,758
16	\$26.33	\$32.91	\$39.49	\$54,766	\$68,453	\$82,139
15	\$25.16	\$31.45	\$37.74	\$52,333	\$65,416	\$78,499
14	\$24.13	\$30.16	\$36.19	\$50,190	\$62,733	\$75,275
13	\$23.15	\$28.94	\$34.73	\$48,152	\$60,195	\$72,238
12	\$22.18	\$27.73	\$33.28	\$46,134	\$57,678	\$69,222
11	\$21.29	\$26.61	\$31.93	\$44,283	\$55,349	\$66,414
10	\$20.40	\$25.50	\$30.60	\$42,432	\$53,040	\$63,648
9	\$19.59	\$24.49	\$29.39	\$40,747	\$50,939	\$61,131

Item Number: 9a_attach A
Meeting Date: June 11, 2024

Proposed 2024 Non-Represented Graded Salary Range Structure

Grade	Hourly				Annual			
	Minimum	Market Reference Point	Midpoint	Maximum	Minimum	Market Reference Point	Midpoint	Maximum
50	\$20.43	\$22.23	\$24.03	\$27.64	\$42,500	\$46,250	\$50,000	\$57,500
51	\$22.47	\$24.45	\$26.44	\$30.40	\$46,750	\$50,875	\$55,000	\$63,250
52	\$24.72	\$26.90	\$29.08	\$33.44	\$51,425	\$55,963	\$60,500	\$69,575
53	\$27.19	\$29.59	\$31.99	\$36.79	\$56,568	\$61,559	\$66,550	\$76,533
54	\$29.91	\$32.55	\$35.19	\$40.47	\$62,224	\$67,715	\$73,205	\$84,186
55	\$32.90	\$35.81	\$38.71	\$44.52	\$68,447	\$74,486	\$80,526	\$92,604
56	\$36.19	\$39.39	\$42.58	\$48.97	\$75,291	\$81,935	\$88,578	\$101,865
57	\$39.81	\$43.33	\$46.84	\$53.87	\$82,820	\$90,128	\$97,436	\$112,051
58	\$43.79	\$47.66	\$51.52	\$59.25	\$91,103	\$99,141	\$107,179	\$123,256
59	\$48.17	\$52.43	\$56.68	\$65.18	\$100,213	\$109,055	\$117,897	\$135,582
60	\$52.99	\$57.67	\$62.34	\$71.70	\$110,234	\$119,961	\$129,687	\$149,140
61	\$58.29	\$63.44	\$68.58	\$78.87	\$121,257	\$131,957	\$142,656	\$164,054
62	\$64.12	\$69.78	\$75.44	\$86.75	\$133,383	\$145,152	\$156,921	\$180,460
63	\$70.53	\$76.76	\$82.98	\$95.43	\$146,722	\$159,668	\$172,614	\$198,506
64	\$77.59	\$84.43	\$91.28	\$104.97	\$161,394	\$175,634	\$189,875	\$218,356
65	\$85.35	\$92.88	\$100.41	\$115.47	\$177,533	\$193,198	\$208,862	\$240,192
66	\$93.88	\$102.17	\$110.45	\$127.02	\$195,286	\$212,518	\$229,749	\$264,211
67	\$103.27	\$112.38	\$121.50	\$139.72	\$214,815	\$233,769	\$252,724	\$290,632
68	\$113.60	\$123.62	\$133.65	\$153.69	\$236,296	\$257,146	\$277,996	\$319,695
69	\$124.96	\$135.99	\$147.01	\$169.06	\$259,926	\$282,861	\$305,795	\$351,665
70	\$137.46	\$149.58	\$161.71	\$185.97	\$285,919	\$311,147	\$336,375	\$386,831

*The hourly rates presented here represents only two-digits following the decimal point. In the Port's human resources information system, the hourly rates are up to six-digits following the decimal point.

Proposed 2024 Executive Leadership Graded Salary Range Structure

Item Number: 9a_attach B
 Meeting Date: June 11, 2024

Grade	Hourly				Annual			
	Minimum	Market Reference Point	Midpoint	Maximum	Minimum	Market Reference Point	Midpoint	Maximum
101	\$90.01	\$97.89	\$105.76	\$121.52	\$187,234	\$203,617	\$220,000	\$252,766
102	\$99.01	\$107.68	\$116.34	\$133.67	\$205,957	\$223,979	\$242,000	\$278,043
103	\$108.91	\$118.45	\$127.98	\$147.04	\$226,553	\$246,377	\$266,200	\$305,847
104	\$119.81	\$130.29	\$140.77	\$161.74	\$249,209	\$271,014	\$292,820	\$336,431
105	\$131.79	\$143.32	\$154.85	\$177.92	\$274,129	\$298,116	\$322,102	\$370,075
106	\$144.97	\$157.65	\$170.34	\$195.71	\$301,542	\$327,927	\$354,312	\$407,082
107	\$159.46	\$173.42	\$187.37	\$215.28	\$331,697	\$360,720	\$389,743	\$447,790

*The hourly rates presented here represents only two-digits following the decimal point. In the Port's human resources information system, the hourly rates are up to six-digits following the decimal point.

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**PORT OF SEATTLE
RESOLUTION NO. 3823**

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A **RESOLUTION** of the Port of Seattle Commission amending policy directive for salaries and benefits for employees not covered by a collective bargaining agreement established by Resolution No. 3820 and providing an effective date for all amendments as of June 16, 2024.

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WHEREAS, the Port of Seattle Commission has authority pursuant to RCW 53.08.170 to create and fill positions, fix wages, salaries, and establish other benefits of employment including retirement, health insurance and similar benefits; and

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WHEREAS, the Port of Seattle Commission is the legally constituted governing body of the Port of Seattle.

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NOW, THEREFORE, BE IT RESOLVED by the Port of Seattle Commission as follows:

SECTION 1. Amendment of Policy Directive. The policy directive established by Resolution No. 3739 adopted November 28, 2017, establishing jobs, pay grades, pay ranges, and pay practices for employees not covered by a collective bargaining agreement and authorizing legally required and other benefits, is hereby amended as follows:

SECTION 2-5. The amendments provided in this resolution shall be effective starting June 1, 2024.

SECTION 2. Adjust the definitions “At-Will” to align with proposed changes from the Compensation Project and “Seasonal Employee” to align with other policies and regulation. The “At-Will” definition will be updated to remove the section ‘*When a job opening is posted for an at-will position, the at-will designation will be identified in the posted notice. An offer of employment made to a current employee or external candidate for an at-will position will state that the position is at-will and exempt from any progressive discipline policy. Employees hired, or appointed, into at-will jobs prior to January 1, 2014, are allowed to continue under a legacy provision grandfathered as ‘for cause’ employees. However, any employee hired prior to January 1, 2014, who is transferred or promoted into an at-will position is no longer subject to the termination “for cause” standard and will be exempt from any progressive discipline policy.*’ and “Seasonal Employee” definition will be adjusted to indicate the ‘*hire period last 6 months or less.*’

SECTION 5.1.C. Based on the proposed Compensation Project changes, adjusting the description of this section by replacing the term ‘*evaluated*’ with ‘*assessed*’ throughout this section and the phrase ‘*relative skill requirements, responsibilities*’ with the phrase ‘*essential responsibilities, minimum qualifications.*’ The Graded Salary Range Structure will be replaced with the Non-Represented Employee Graded Salary Range structure and the Executive Leadership Graded Salary Range Structure.

SCHEDULE OF AUTHORIZED NON-REPRESENTED JOBS
SALARY RANGES EFFECTIVE JUNE 16, 2024
Annual Base Salary Range (Hourly equivalent in parentheses)

Item Number: 9a Exhibit A
 Meeting Date: June 11, 2024

Grade	Minimum	Market Reference Point	Midpoint	Maximum
50	\$42,500 (\$20.43)	\$46,250 (\$22.23)	\$50,000 (\$24.03)	\$57,500 (\$27.64)
51	\$46,750 (\$22.47)	\$50,875 (\$24.45)	\$55,000 (\$26.44)	\$63,250 (\$30.40)
	Office Assistant		Pier 69 Mail & Shipping Specialist	
52	\$51,425 (\$24.72)	\$55,963 (\$26.90)	\$60,500 (\$29.08)	\$69,575 (\$33.44)
	AOB Mail & Facilities Specialist -On-Call Landside Cruise Transportation Coordinator		Pier 69 Security Specialist	
53	\$56,568 (\$27.19)	\$61,559 (\$29.59)	\$66,550 (\$31.99)	\$76,533 (\$36.79)
	AOB Facilities & Mail Specialist Business Intelligence Field Interviewer Harbor Customer Service Specialist - Fishing		Marine Maintenance Accounts Clerk Pier 69 Facilities Specialist	
54	\$62,224 (\$29.91)	\$67,715 (\$32.55)	\$73,205 (\$35.19)	\$84,186 (\$40.47)
	Administrative Staff Assistant Airport Customer Service Representative I Assistant Civil Engineering Technician Aviation Conference Center Specialist Aviation Lease Administration Specialist I Aviation Receiving Dock Operations Coordinator Credit Analyst I Economic Development Division Lease Specialist I		Harbor Moorage Coordinator - Fishing Harbor Operations Specialist Landside Parking Services Administrator Marine Maintenance Business Operations Specialist Marine Maintenance Material & Inventory Specialist Marine Maintenance Operations Specialist Total Rewards Assistant Workers' Compensation Administrative Assistant	
55	\$68,447 (\$32.90)	\$74,486 (\$35.81)	\$80,526 (\$38.71)	\$92,604 (\$44.52)
	Accountant I - Accounts Receivable Accountant I - Billing Accountant I - Capital Services Accounts Payable Specialist Administrative Assistant Airport Customer Service Representative II AV F&I Utility Analyst Aviation Conference Center Sales & Operations Specialist Aviation Lease Specialist II Aviation Maintenance Time Administrator Aviation Program Controls Administrator Civil Engineering CAD Specialist Commission Staff Assistant Construction Safety Administrator CPO Systems and Data Analyst I CPO Tech Business Analyst I Economic Development Division Lease Specialist II		Engineering Facility Specialist Engineering Invoice & Asset Specialist Ground Transportation Controller Harbor Customer Service Specialist ICT Project Coordinator ICT Service Desk Technician Marine Maintenance Intake Admin Specialist Marine Maintenance Time Administrator/Admin On-Call SEA Customer Support Representative Public Art Technician Safety Management System Assurance Specialist SEA Customer Support Representative Subsurface Utility Engineering Technician I Talent Acquisition Coordinator Technical Support Engineer I Waterfront Project Management Project Assistant	
56	\$75,291 (\$36.19)	\$81,935 (\$39.39)	\$88,578 (\$42.58)	\$101,865 (\$48.97)
	Accountant II - Accounts Receivable Accountant II - Billing Accountant II - Capital Services Air Service Administrative & Program Specialist Art Program Coordinator Assistant Construction Manager - Major Construction Assistant Project Manager Associate Financial Analyst Associate Financial Analyst - Mitigation & Recovery Aviation Lease Administration Specialist III Aviation Program Controls Business Systems Administrator Business Intelligence Analyst I Business Intelligence Market Research Analyst I Capital Projects Estimator I Concession Internal Auditor Construction Safety Specialist Credit Analyst II Duwamish River Community Hub Coordinator Economic Development Division Lease Specialist III Engineering Design Technician		Equity, Diversity & Inclusion Metrics & Evaluation Program Assistant External Relations Event Specialist External Relations Graphic Designer Fishermen's Terminal Billing Analyst Harbor Moorage Coordinator ICT Associate Client Engineer ICT Software Support Specialist Marine Maintenance Fleet Program Coordinator Marine Maintenance Logistics Specialist Payroll Specialist PCS Purchasing Specialist Procurement Officer I Project Assistant - Major Construction Project Controls Engineer I Records Management Specialist Senior Ground Transportation Controller Senior Harbor Facilities Coordinator Subsurface Utility Engineering Technician II Tourism Project Specialist	

57	\$82,820 (\$39.81)	\$90,128 (\$43.33)	\$97,436 (\$46.84)	\$112,051 (\$53.87)
Accountant III - Accounts Receivable			Digital Production Specialist	
Accountant III - Billing			Economic Development Division Senior Lease Specialist	
Accountant III - Capital Services			Economic Development Division Utility Analyst	
Accountant III - General Ledger			Executive Assistant - Executive Department	
Accounts Payable Analyst			External Relations Community Programs Support Specialist	
Accounts Payable Lead			External Relations Visual Storyteller	
Airport Recognition & Event Specialist			Financial Analyst	
Airport Training Specialist			Financial Analyst - Mitigation & Recovery	
Airport Training Systems Analyst			Financial Reporting & Controls Analyst I	
Airport Volunteer Specialist			Fire Department System Administrator	
Associate Content Solution and Communication Engineer			Ground Transportation Customer Support Specialist	
Associate Database Engineer			Human Resources Communications & Media Producer	
Associate Software Development Engineer			ICT Asset Management Analyst	
Associate Software Test Engineer			ICT Contract/Software Administrator	
Associate Systems Engineer			ICT Infrastructure Operations Technician	
Aviation Activity Specialist			ICT Mobility Specialist	
Aviation Associate Planner			ICT Service & Reporting Analyst	
Aviation Facilities & Infrastructure Architect/Engineer I			Internal Auditor	
Aviation Lease Management Coordinator			Investigation Specialist	
Aviation Maintenance Planner/Coordinator			Marine Maintenance Asset Analyst/CAD Specialist	
Aviation Senior Utility Analyst			Maritime Marketing Project Manager	
BIM Technology Specialist			Maritime Operations Billing Analyst	
Building Permit Coordinator			Operational Readiness & Airport Transition Specialist	
Bus Driver Trainer			Payroll Analyst	
Business Intelligence Assistant			Project Administrator	
CAD Standard Review Technician			Senior Administrative Assistant	
Civil Engineering Technician			Supervisor, Credit	
Commission Executive Assistant			Supervisor, Customer Care	
Construction Inspector I - Major Construction			Talent Acquisition Recruiter	
CPO Database Integration Analyst II			Talent Connections Program Manager	
CPO Tech Business Analyst II			Technical Support Engineer II	
Department Contract Specialist			Total Rewards Specialist	
Department Contract Specialist - Maritime			Travel & Expense Analyst	
Deputy Commission Clerk			Waterfront Project Management Project Specialist	
Design Engineer/Architect I			Workforce Development Contract & Budget Specialist	
58	\$91,103 (\$43.79)	\$99,141 (\$47.66)	\$107,179 (\$51.52)	\$123,256 (\$59.25)
AFR Business Technology Analyst			External Relations Marketing and Communications Project Manager	
Apprenticeship/Priority Hire Specialist			External Relations Video Producer	
Assistant to Managing Director, Aviation			Fire Department Support Services Administrator	
Assistant to Managing Director, Economic Development			ICT Business Analyst	
Assistant to Senior Director, Environment & Sustainability			ICT Client Engineer	
Assistant to Senior Director, Equity Diversity & Inclusion			ICT Senior Service Desk Technician	
Assistant to Senior Director, External Relations			Lead Total Rewards Specialist	
Assistant to Senior Director, Human Resources			Marine Maintenance Facilities Compliance Program Manager	
Assistant to Senior Director, Labor Relations			Marine Maintenance Facilities Manager I	
AV Facilities & Infrastructure Asset Document Specialist			Marine Maintenance Fleet Asset Project Manager	
AV Facilities & Infrastructure Direct Digital Control Specialist			Marine Maintenance Systems Analyst	
Aviation Capital Development Manager I			Maritime Environmental Contract Specialist	
Aviation Customer Communication Specialist			Operations Project Development Specialist	
Aviation Drawing & Data System Specialist			Paralegal	
Aviation Maintenance Asset Management Analyst			PCS Construction Project Manager I	
Aviation Maintenance Business Analyst			PCS Construction Project Manager I - RMM	
Aviation Maintenance Lead Planner/Coordinator			PCS Contract Management Assistant	
Aviation Maintenance Systems Analyst			Procurement Officer II	
Aviation Program Controls Business Systems Analyst			Project Controls Engineer II	
Aviation Real Estate & Portfolio Manager I			Public Disclosure Specialist	
Aviation Security Business Systems Analyst			Real Estate Development Planning Specialist	
Background Compliance Specialist			Real Estate Property Manager I	
Business Intelligence Analyst II			Risk Claims Specialist	
Business Intelligence Market Research Analyst II			Senior Building Permit Coordinator	
Business Systems Analyst			Senior Civil Engineering CAD Specialist	
Capital Project Manager I			Senior Commission Executive Assistant	
Construction Inspector II - Major Construction			Senior Engineering Design Technician	
Construction Labor Specialist I			Signage & Wayfinding - Technical Designer	
Construction Management Contract Administrator			Signage & Wayfinding Specialist	
Construction Manager I - Major Construction			Signage Specialist - Digital Systems	
CPO Systems and Data Analyst II			Strategic Aide	
Cruise Operations Specialist			Supervisor, Administrative Professional	
Customer Care & Construction Coordinator			Supervisor, AOB Facilities	
Div in Contracting Community Engagement & Training Prog Spec			Supervisor, Aviation Maintenance Procurement & Inventory	
Diversity in Contracting Coordinator			Supervisor, Landside Billing	
Engineering Geographic Information System Data Specialist			Supervisor, Pier 69 Facilities	
Environmental Finance Business Analyst			Telecommunications Specialist	
Environmental Finance Invoice Systems Specialist			Unified Pest Management Program Manager	
Environmental Management Specialist			Waterfront Project Management Contract Specialist	
Executive Assistant to Deputy Executive Director			Waterfront Project Management Facilities Project Manager I	
External Relations Capital Projects Marketing Specialist				

59	\$100,213 (\$48.17)	\$109,055 (\$52.43)	\$117,897 (\$56.68)	\$135,582 (\$65.18)
Air Service Development Analyst			Linux Server Engineer	
Airline Scheduling Systems Specialist			Manager, Airport Landside Operations Program	
Associate Process Improvement Program Manager			Manager, Marine Maintenance Asset Program	
Aviation Capital Development Manager II			Manager, SEA Call Center	
Aviation Facilities & Infrastructure Architect/Engineer II			Marine Maintenance Asset Management Coordinator	
Aviation Facilities & Infrastructure BIM Program Manager			Marine Maintenance Business Analyst	
Aviation Maintenance Duty Baggage Manager			Marine Maintenance Regulatory Compliance Coordinator	
Aviation Planner			Maritime Marketing Program Manager	
Aviation Security Compliance Analyst			Mental Health Professional	
Building Inspector / Plan Examiner			Network Engineer	
Commission Clerk			Payroll Operations & Systems Analyst	
Commission Office Strategic Advisor			Records Program Manager	
Construction Labor Specialist II			Safety Management System Program Manager	
Construction Safety Manager I			Senior Accountant - Accounts Receivable	
CPO Database Integration Analyst III			Senior Accountant - Billing	
CPO Systems and Data Analyst III			Senior Accountant - Capital Services	
CPO Tech Business Analyst III			Senior Accountant - Disbursements	
Custodial Operations Quality Assurance Specialist			Senior Accountant- General Ledger	
Database Engineer			Senior Civil Engineering Technician	
Design Engineer/Architect II			Senior Commission Specialist	
Driver Safety Program Manager			Senior Environmental Management Specialist	
Economic Development Program Manager			Senior Financial Analyst	
Emergency Preparedness Program Mgr - Logistics & Systems			Senior Financial Analyst - Mitigation & Recovery	
Enterprise Resource Planning Developer/Programmer I			Senior Grant Accountant - Capital Services	
Equity, Diversity & Inclusion Training & Engagement Manager			Senior Payroll Analyst	
Executive Assistant to Executive Director			Senior Port Budget Analyst	
External Relations Digital Producer			Senior Treasury Analyst	
External Relations Social Media Program Manager			Software Test Engineer	
Field Survey Project Manager			Subsurface Utility Engineering Project Manager	
Financial Reporting & Controls Analyst II			Supervisor, Aviation Lease Administration	
Geographic Information System Analyst			Supervisor, Aviation Security	
Government Relations Policy Analyst			Supervisor, Credentialing Center	
Grant Administrator Waterfront Project Management			Supervisor, Harbor Operations - Fishing	
Harbor Business Analyst			Supervisor, Harbor Operations - Recreational Boating	
Human Resources Business Technology Analyst			Supervisor, Landside	
ICT Senior Infrastructure Operations Technician			Systems Engineer	
ICT Senior Mobility Specialist			Talent Acquisition Senior Recruiter	
ICT Service Technician Lead			Tax Analyst	
Information Security Engineer/Analyst I			Technical Support Engineer III	
Labor Relations Analyst			Waterfront Project Management Facilities Project Manager II	
Learning/Development Consultant			Windows Server Engineer	
Legal Department Administrator			Workers' Compensation Administrator	
60	\$110,234 (\$52.99)	\$119,961 (\$57.67)	\$129,687 (\$62.34)	\$149,140 (\$71.70)
Affirmative Action Program Manager			Geographic Information System Software Engineer	
AFR Business Technology Consultant			Health & Safety Program Manager	
Air Cargo Facilities Manager			Human Resources Data Analyst	
Air Cargo Operations Manager			ICT Lead Mobility Specialist	
Airline & Passenger Systems Specialist			ICT Senior Business Analyst	
Airport Dining & Retail Business Operations Manager			ICT Senior Client Engineer	
Airport Dining & Retail Program Manager			Information Security Engineer/Analyst II	
Airport Operations Development Manager - Landside Ops			Labor Compensation Analyst	
Assistant Manager, Airport Communications Center			Learning & Leadership Program Manager	
Assistant Manager, Airport Operations Certification			Manager, AFR Records & Administration	
Assistant Manager, Aviation Maintenance - Fleet			Manager, Airport Accessibility & Volunteer Program	
Assistant Manager, Aviation Maintenance Distribution Center			Manager, Airport Building Department	
AV Communications and Marketing Program Manager			Manager, Aviation & Compliance Training	
Aviation Facilities & Infrastructure Architect/Engineer III			Manager, Aviation Customer Communication	
Aviation Facilities & Infrastructure Utility Program Manager			Manager, Corporate Facilities	
Aviation Maintenance Capital Project Liaison			Manager, Customer Service Learning & Recognition	
Aviation Maintenance Senior Business Analyst			Manager, Harbor Customer Service	
Aviation Maintenance Senior Duty Baggage Manager			Manager, Police Records	
Aviation Maintenance Senior Systems Analyst			Manager, Public Disclosure	
Aviation Maintenance Small Works Proj Manager/Controls Coord			Manager, Safety Management System Assurance	
Aviation Parking & Ecommerce Customer Relationship Manager			Marine Maintenance Facilities Manager II	
Aviation Parking & Ecommerce Marketing Manager			Maritime Senior Planner	
Aviation Program Controls Senior Systems Analyst			P-card Administrator	
Aviation Real Estate & Portfolio Manager II			PCS Construction Cost Engineer/Scheduler	
Aviation Security Capital Project Liaison			PCS Construction Project Manager II	
Aviation Senior Planner			PCS Construction Project Manager II - RMM	
Biometrics Program Manager			Procurement Officer III	
Business Intelligence Analyst III			Project Controls Engineer III	
Business Intelligence Market Research Analyst III			Real Estate Property Manager II	
Capital Project Manager II			Risk Analyst	
Capital Projects Estimator II			Safety Management System Risk Manager	
Certified Occupational Health Nurse			Senior BIM Technology Specialist	
Chief of Maritime Staff			Senior Business Development Analyst - Aviation	
Community Investments Program Manager			Senior Employee Relations Consultant	
Construction and Operational Readiness Manager			Senior HR Business Technology Consultant	
Construction Inspector III - Major Construction			Senior Internal Auditor	
Construction Labor Priority Hire Program Manager			Senior Investigation Specialist	
Construction Management Systems Analyst			Senior Telecommunication Specialist	
Construction Manager II - Major Construction			Software Development Engineer	

Construction Safety Manager II	Supervisor, Accounting - Capital Services
Content Solution and Communication Engineer	Supervisor, Landside - Air Transit Operations
CPO Systems and Data Analyst IV	Supervisor, Procurement
Deputy Executive Chief of Staff	Survey Project Manager
Design Engineer/Architect III	Talent Acquisition Lead
Div in Contracting Community Engagement/Training Prog Mgr	Technical Support Engineer IV
Diversity in Contracting Compliance Specialist	Telecommunications Infrastructure Engineer
Economic Development Innovation Program Manager	Total Rewards Analyst
Emergency Preparedness Program Mgr - Policy & Planning	Total Rewards Program Manager
Emergency Preparedness Program Mgr - Training & Exercise	Transportation Access Program Manager
External Relations Aviation Environmental Program Manager	Waterfront Project Management Project Controls Coordinator
Facilities & Infrastructure Accessibility Program Manager	Waterfront Project Management Systems/Data Analyst
Financial Reporting & Controls Analyst III	Wildlife Biologist
Fire Protection Engineer	Workforce Development Program Manager & Data Analyst

61	\$121,257 (\$58.29)	\$131,957 (\$63.44)	\$142,656 (\$68.58)	\$164,054 (\$78.87)
Airfield Operations Manager			Manager, Engineering Operations & Finance	
Assistant Manager, Aviation Maintenance Mechanical Systems			Manager, Equity, Diversity & Inclusion Policy and Communications	
Aviation Business & Properties Asset Manager			Manager, External Relations Events and Engagement	
Aviation Capital Development Manager III			Manager, Harbor Business and Operations - Fishing	
Aviation Planning Program Leader			Manager, ICT Client Services	
Aviation Principal Planner			Manager, ICT Service Desk	
Capital Project Estimator			Manager, Infrastructure Operations	
Capital Project Manager III			Manager, Lease Management and Airlines Statistics	
Capital Projects Estimator III			Manager, Marine Maintenance Logistics	
Climate Change and Clean Energy Program Manager			Manager, Marine Maintenance Regulatory Compliance Program	
Construction Management Cost Estimator			Manager, Maritime Operations	
Construction Manager III - Major Construction			Manager, PCS Construction Operations	
CPO Database Integration Analyst IV			Manager, Subsurface Utility Engineering	
CPO Tech Business Analyst IV			Manager, Survey Crew	
Design Production Manager			Manager, Workers' Compensation	
Enterprise Resource Planning Administrator			PCS Construction Project Manager III	
Environmental Program Manager			PCS Construction Project Manager III - RMM	
External Relations East King Cty Community & Gov't Rel Mgr			Principal Financial Analyst	
External Relations Senior Pgrm Mgr-Aviation Engagement			Principal Financial Analyst - Mitigation & Recovery	
External Relations Senior Pgrm Mgr-Aviation Env Engagement			Process Improvement Program Manager	
External Relations Senior Pgrm Mgr-Maritime Engagement			Procurement Officer IV	
External Relations Senior Pgrm Mgr-Maritime Env Engagement			Real Estate Manager	
External Relations Senior Pgrm Mgr-Maritime Industrial Engage			Senior Aviation Real Estate & Portfolio Manager	
ICT Lead Client Engineer			Senior Content Solution and Communication Engineer	
ICT Mobility Manager			Senior Information Technology Auditor	
ICT Project Manager			Senior Linux Server Engineer	
Innovation Program Manager			Senior Manager, Maritime Marketing	
Internal Audit Program Manager			Senior Manager, Maritime Security	
International Terminal Operations Manager			Senior Media Officer	
Manager, 911 Communications			Senior Network Engineer	
Manager, Accounts Payable			Senior Public Safety Technology Consultant	
Manager, Air Services Development			Senior Software Development Engineer	
Manager, Airport Dining & Retail-Business Dev and Operations			Senior Software Test Engineer	
Manager, Airport Facility Services			Senior Survey Project Manager	
Manager, Aviation Conference Center Services			Senior Systems Engineer	
Manager, Aviation Maintenance Custodial Operations			Senior Windows Server Engineer	
Manager, Aviation Parking and Ecommerce Revenue Mgmt			Strategic Planning Program Manager	
Manager, Creative Services			Sustainability Reporting and Communications Program Manager	
Manager, Design Quality - Engineering			Terminal Operations Manager	
Manager, Employee Communications			Waterfront Project Management Facilities Project Manager III	
Manager, Engineering Mapping Services				

62	\$133,383 (\$64.12)	\$145,152 (\$69.78)	\$156,921 (\$75.44)	\$180,460 (\$86.75)
Assistant Director, Customer Engagement			Manager, Aviation Security - Compliance	
Assistant Director, Customer Experience			Manager, Aviation Security - Employee Screening / Physical Security	
Aviation Capital Development Manager IV			Manager, Aviation Security Systems and Access	
Aviation Facilities & Infrastructure Communication Prog Mgr			Manager, Business Intelligence Program - Analytics	
Aviation Facilities & Infrastructure Senior Architect/Engineer			Manager, Business Intelligence Program - Research	
Business Technology Consultant			Manager, Construction Safety Services	
Capital Project Manager IV			Manager, Content Services	
Commission Deputy Chief of Staff			Manager, Corporate Budget & Systems	
Construction Labor Manager			Manager, Corporate Finance	
CPO Systems and Data Analyst V			Manager, CPO Planning & Analysis	
CPO Tech Business Analyst V			Manager, Cruise Operations & Business Development	
Div in Contracting Disadvantaged Business Enterprise Prog Mgr			Manager, Diversity in Contracting Women/Minority Business Enterprise	
Enterprise Resource Planning Developer/Programmer II			Manager, Financial & Cost Recovery	
Environmental Justice Program Manager			Manager, ICT Financial Services	
Equity, Diversity & Inclusion System Change Program Manager			Manager, Lease Administration & Utility Management	
ICT Contracts and Compliance Advisor			Manager, Marine Maintenance Fleet & Transportation	
ICT Project Intake Manager			Manager, Payroll	
ICT Senior Project Manager			Manager, PCS Construction	
ICT Solutions Architect			Manager, Risk Claims	
Indoor Navigation Program Manager			Manager, Seaport Environmental Finance	
Information Security Engineer/Analyst III			Manager, Seaport Finance & Budget	
International Business Protocol Liaison			Manager, Signage and Wayfinding	
International Tourism Development Manager			Manager, Talent Acquisition	
Labor Relations Manager			Manager, Talent Connections	
Lead Senior Employee Relations Consultant			Manager, Talent Development and Diversity	
Local Government Relations Manager			Manager, Terminal Operations Project Development	
Manager, Accounting - Accounts Receivable			Manager, Waterfront Cost Estimating	
Manager, Accounting - Billing			Manager, Waterfront Program Management Project Controls	
Manager, Accounting - Capital Services			PCS Cost Estimator	
Manager, Accounting - General Ledger			Principal Business Intelligence Analyst	
Manager, Air Cargo			Procurement Officer V	
Manager, Airline Scheduling Systems			Project Controls Engineer IV	
Manager, Airport Communications Center			Real Estate Development Manager	
Manager, Airport Landside Operations			Regional Government Relations Manager	
Manager, Airport Operations - Certification			Senior AFR Business Technology Consultant	
Manager, Art Program			Senior Construction Manager – Major Construction	
Manager, Aviation Finance			Senior Database Engineer	
Manager, Aviation Maintenance Capital Project Liaison			Senior Design Engineer/Architect	
Manager, Aviation Maintenance - Field Crew/Civil Infrastructure			Senior Fire Protection Engineer	
Manager, Aviation Maintenance - Fleet			Senior Manager, Content, Marketing and Digital Communication	
Manager, Aviation Maintenance Asset			Senior Manager, PCS Construction RMM	
Manager, Aviation Maintenance Business Systems			Senior Manager, Real Estate	
Manager, Aviation Maintenance Facilities Capital Project Liaison			Senior Organizational Business Partner	
Manager, Aviation Maintenance Logistics			Server Engineering Lead	
Manager, Aviation Maintenance Mechanical Systems			State Government Relations Manager	
Manager, Aviation Maintenance Planning & Small Works			Supervisor, Telecommunication Infrastructure Engineer	
Manager, Aviation Operations Project Development			Tribal Relations Senior Program Manager	
Manager, Aviation Planning			Waterfront Project Management Facilities Project Manager IV	
Manager, Aviation Program Controls Business Systems			Waterfront Project Management Project Controls Engineer	
Manager, Aviation Program Controls Cost Estimating				
63	\$146,722 (\$70.53)	\$159,668 (\$76.76)	\$172,614 (\$82.98)	\$198,506 (\$95.43)
Assistant Director, Aviation Business Development			Manager, Internal Audit	
Assistant Director, Aviation Employee Experience & Learning			Manager, Procurement	
Assistant Director, Aviation Parking & Ecommerce Revenue Mgmt			Manager, Server Engineering	
Aviation Facilities & Infrastructure Principal Architect/Engineer			Manager, Total Rewards	
Capital Project Manager V			Manager, Treasury	
Cyber Risk & Compliance Program Manager			Principal Business Intelligence Data Engineer	
Data Scientist			Principal Construction Manager - Major Construction	
Enterprise Resource Planning Developer/Programmer III			Principal Design Engineer/Architect	
ICT Principal Engineer			Principal Geographic Information System Architect	
ICT Program Manager			Project Controls Engineer V	
Lead Network Engineer			Regional Transportation Senior Manager	
Lead Software Development Engineer			Senior Designer (Multi-credential)	
Lead Systems Engineer			Senior Environmental Program Manager	
Manager, Aviation Capital Programs			Senior Manager, Airport Building Department	
Manager, Aviation Maintenance - Electrical and Electronic			Senior Manager, Aviation Planning	
Manager, Aviation Maintenance and Operations			Senior Manager, Design Technology	
Manager, Business Technology			Senior Manager, Federal & International Government Relations	
Manager, Financial Reporting & Controls			Senior Manager, Labor Relations	
Manager, Fire Protection Engineering			Senior Manager, Maritime Planning	
Manager, Human Resources Technology			Senior Manager, Operations Readiness & Activation	
Manager, ICT Business Services			Senior Manager, Strategic Initiatives/Chief Strategy Officer	
Manager, ICT Project Initiation			Senior Manager, Survey, Mapping and Utility Locating Services	
Manager, ICT Quality Assurance			Senior Manager, Workplace Responsibility	

64	\$161,394 (\$77.59)	\$175,634 (\$84.43)	\$189,875 (\$91.28)	\$218,356 (\$104.97)
Assistant Director, Air Services Development			Manager, Information Security	
Assistant Director, Airline Affairs & Aviation Properties			Manager, Information Security Resiliency	
Assistant Director, Airport Dining & Retail			Manager, Network Engineering	
Assistant Director, Airport Duty Manager Operations			Manager, Software Development	
Assistant Director, Airport Operations - Business Unit			Manager, Systems Engineering	
Assistant Director, Airport Operations Risk & Safety			Senior Manager, Aviation Finance and Budget	
Assistant Director, Central Procurement Office			Senior Manager, Aviation Maintenance	
Assistant Director, CPO Strategic Partnerships & Analytics			Senior Manager, Aviation Maintenance Assets & Logistics	
Assistant Director, Disbursements Administration			Senior Manager, Aviation Maintenance Custodial Services	
Assistant Director, General Accounting			Senior Manager, Credentialing and Access	
Assistant Director, Revenues Administration			Senior Manager, Emergency Preparedness	
Capital Program Leader			Senior Manager, Fishing Vessel Services	
Construction Program Leader - Major Construction (CPL)			Senior Manager, Marine Maintenance	
Design Program Manager - Engineering			Senior Manager, Marine Maintenance Business Ops, Systems & Logistics	
Director, Corporate Budget			Senior Manager, Marine Maintenance Fleet & Facilities	
Director, External Relations Capital Project Delivery			Senior Manager, Maritime Operations	
Director, Workforce Development			Senior Manager, PCS Business Operations	
Manager, Aviation Facilities & Infrastructure Discipline			Senior Manager, PCS Construction Operations	
Manager, Aviation Program Controls			Senior Manager, Recreational Boating	
Manager, Database Engineering			Senior Manager, Seaport Environmental Finance	
Manager, Enterprise Geographic Information System			Senior Manager, Security Operations	
Manager, Enterprise Resource Planning			Senior Manager, Security Strategy & Intelligence	
Manager, ICT Project Management			Senior Manager, Waterfront Project Management	
65	\$177,533 (\$85.35)	\$193,198 (\$92.88)	\$208,862 (\$100.41)	\$240,192 (\$115.47)
Assistant Director, Aviation Project Management Group			Director, Small Business Development	
Assistant Director, Engineering Construction Management			Director, Tourism Development	
Assistant Fire Chief - Administration			Senior Manager, Aviation Capital Programs	
Assistant Fire Chief - Operations			Senior Manager, Aviation Facilities & Infrastructure	
Deputy Chief of Police			Senior Manager, Aviation Program Controls	
Director, Aviation Innovation			Senior Manager, Design Services	
Director, Corporate Finance			Senior Manager, Environmental Programs	
Director, Cruise Business & Maritime Marketing			Senior Manager, Waterfront Program Controls	
Director, Real Estate Development			Senior Port Counsel	
Director, Risk Management				
66	\$195,286 (\$93.88)	\$212,518 (\$102.17)	\$229,749 (\$110.45)	\$264,211 (\$127.02)
*Chief of Staff, Commission Services			Director, External Relations Community Engagement	
Director, Accounting & Financial Reporting			Director, Human Resources - Health & Safety	
Director, Aviation Business & Properties			Director, Human Resources - Organizational Effectiveness	
Director, Aviation Commercial Management			Director, Human Resources - Talent Management	
Director, Aviation Facilities & Capital Programs			Director, Human Resources, EEO & Professional Standards	
Director, Aviation Finance & Budget			Director, ICT Infrastructure Services	
Director, Business Intelligence			Director, ICT Technology Delivery	
Director, Central Procurement Office			Director, Information Security / Chief Information Security Officer	
Director, Customer Experience & Brand Strategy			Director, Maritime Operations & Security	
Director, Engineering - Construction Management			Director, Port Construction Services	
Director, Engineering - Design, Quality and BIM			Director, Seaport Finance & Budget	
Director, External Relations Communications & Marketing			Fire Chief	
67	\$214,815 (\$103.27)	\$233,769 (\$112.38)	\$252,724 (\$121.50)	\$290,632 (\$139.72)
*Chief of Police			Director, Government Relations	
Chief Engineer			Director, Human Resources - Total Rewards	
Director, Airport Operations			Director, ICT Product Engineering	
Director, Aviation Environmental Services			Director, Marine Maintenance	
Director, Aviation Maintenance			Director, Maritime Environmental & Sustainability	
Director, Aviation Project Management Group			Director, Real Estate Asset Management	
Director, Aviation Security			Director, Waterfront Project Management Group	
68	\$236,296 (\$113.60)	\$257,146 (\$123.62)	\$277,996 (\$133.65)	\$319,695 (\$153.69)
Aviation Chief Development Officer			Chief Information Officer	
Aviation Chief Operating Officer			Deputy General Counsel	
69	\$259,926 (\$124.96)	\$282,861 (\$135.99)	\$305,795 (\$147.01)	\$351,665 (\$169.06)
70	\$285,919 (\$137.46)	\$311,147 (\$149.58)	\$336,375 (\$161.71)	\$386,831 (\$185.97)

SCHEDULE OF EXECUTIVE LEADERSHIP JOBS

Grade	Minimum	Market Reference Point	Midpoint	Maximum
101	\$187,234 (\$90.01)	\$203,617 (\$97.89)	\$220,000 (\$105.76)	\$252,766 (\$121.52)
102	\$205,957 (\$99.01)	\$223,979 (\$107.68)	\$242,000 (\$116.34)	\$278,043 (\$133.67)
	*Director, Internal Audit		*Executive Chief of Staff	
103	\$226,553 (\$108.91)	\$246,377 (\$118.45)	\$266,200 (\$127.98)	\$305,847 (\$147.04)
	*Managing Director, Economic Development		*Senior Director, Labor Relations	
	*Senior Director, Equity Diversity & Inclusion			
104	\$249,209 (\$119.81)	\$271,014 (\$130.29)	\$292,820 (\$140.77)	\$336,431 (\$161.74)
	*Chief Financial Officer		*Senior Director, Environmental & Sustainability	
	*General Counsel/Chief Compliance Officer		*Senior Director, External Relations	
	*Managing Director, Maritime		*Senior Director, Human Resources	
105	\$274,129 (\$131.79)	\$298,116 (\$143.32)	\$322,102 (\$154.85)	\$370,075 (\$177.92)
	*Managing Director, Aviation			
106	\$301,542 (\$144.97)	\$327,927 (\$157.65)	\$354,312 (\$170.34)	\$407,082 (\$195.71)
	*Deputy Executive Director			
107	\$331,697 (\$159.46)	\$360,720 (\$173.42)	\$389,743 (\$187.37)	\$447,790 (\$215.28)

NON-EVALUATED JOBS

Grade	Minimum	Midpoint	Maximum
201	\$41,538 (\$19.97)	\$41,538 (\$19.97)	\$41,538 (\$19.97)
	High School Intern		
202	\$43,618 (\$20.97)	\$51,418 (\$24.72)	\$59,218 (\$28.47)
	College Intern		
203	\$60,258 (\$28.97)	\$62,338 (\$29.97)	\$64,418 (\$30.97)
	Graduate Intern		

*At will positions

**The hourly rates presented here represents only two-digits following the decimal point. In the Port's human resources information system, the hourly rates are up to six-digits following the decimal point.

Introduction – Resolution 2024 Salary and Benefits Resolution

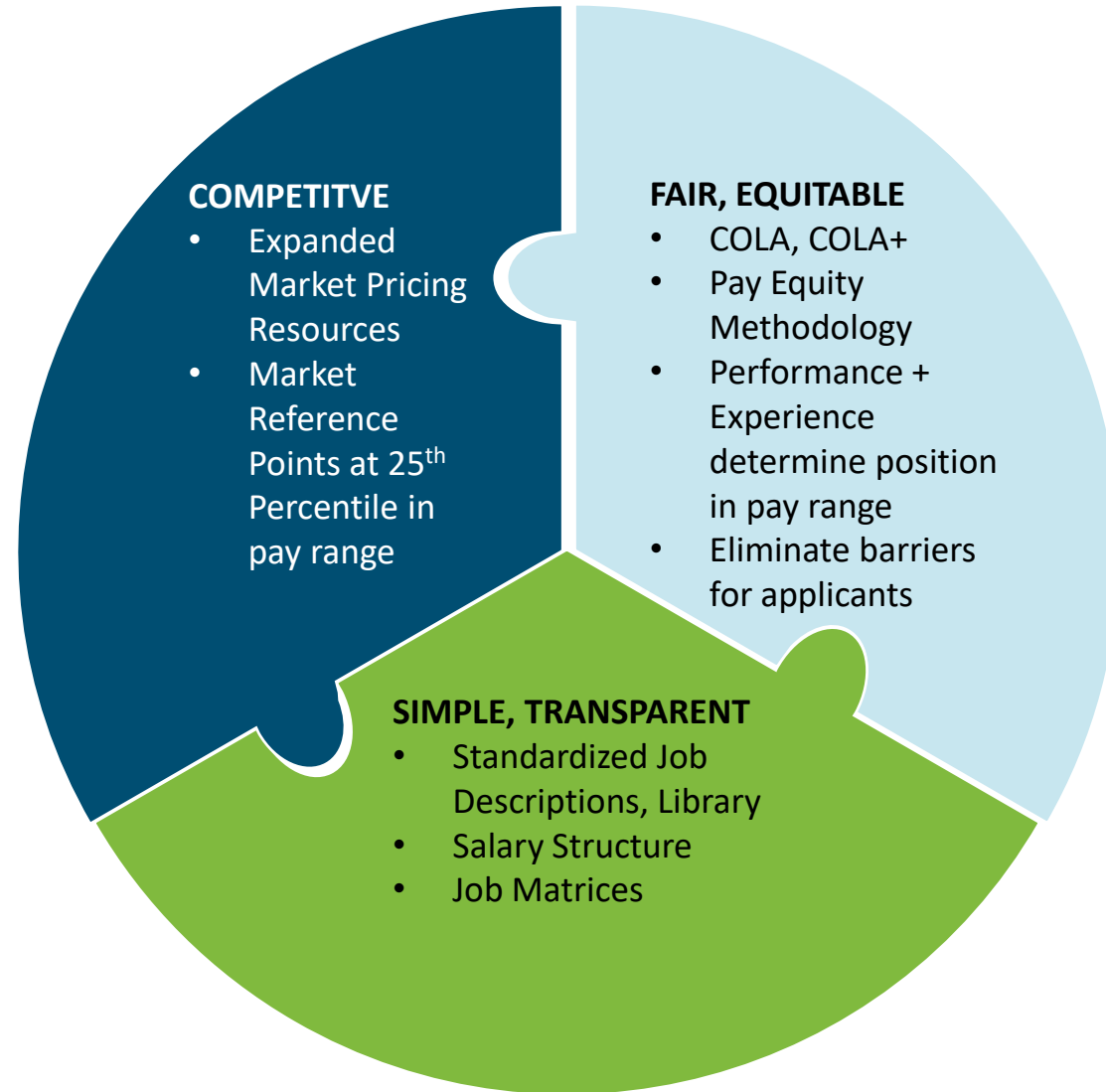
June 11, 2024

Topics

- Compensation Project Overview
- Background of the Salary and Benefits Process
- Recommend Updates and Changes



The Compensation Project



The Compensation Project

- A multi-year project to review and update the pay program for non-represented employees
- Project Focus: Ensure the pay program for non-represented employees is aligned to market and supports our pay equity priorities
- Project Scope:
 - The processes, practices, policies and systems related to the compensation program
 - The salary structure and how the market reference point for each job is assessed

The Compensation Project

Proposed 2024 Non-Represented Graded Salary Range Structure

Grade	Hourly				Annual			
	Minimum	Market Reference Point	Midpoint	Maximum	Minimum	Market Reference Point	Midpoint	Maximum
50	\$ 20.43	\$ 22.23	\$ 24.03	\$ 27.64	\$ 42,500	\$ 46,250	\$ 50,000	\$ 57,500
51	\$ 22.47	\$ 24.45	\$ 26.44	\$ 30.40	\$ 46,750	\$ 50,875	\$ 55,000	\$ 63,250
52	\$ 24.72	\$ 26.90	\$ 29.08	\$ 33.44	\$ 51,425	\$ 55,963	\$ 60,500	\$ 69,575
53	\$ 27.19	\$ 29.59	\$ 31.99	\$ 36.79	\$ 56,568	\$ 61,559	\$ 66,550	\$ 76,533
54	\$ 29.91	\$ 32.55	\$ 35.19	\$ 40.47	\$ 62,224	\$ 67,715	\$ 73,205	\$ 84,186
55	\$ 32.90	\$ 35.81	\$ 38.71	\$ 44.52	\$ 68,447	\$ 74,486	\$ 80,526	\$ 92,604
56	\$ 36.19	\$ 39.39	\$ 42.58	\$ 48.97	\$ 75,291	\$ 81,935	\$ 88,578	\$ 101,865
57	\$ 39.81	\$ 43.33	\$ 46.84	\$ 53.87	\$ 82,820	\$ 90,128	\$ 97,436	\$ 112,051
58	\$ 43.79	\$ 47.66	\$ 51.52	\$ 59.25	\$ 91,103	\$ 99,141	\$ 107,179	\$ 123,256
59	\$ 48.17	\$ 52.43	\$ 56.68	\$ 65.18	\$ 100,213	\$ 109,055	\$ 117,897	\$ 135,582
60	\$ 52.99	\$ 57.67	\$ 62.34	\$ 71.70	\$ 110,234	\$ 119,961	\$ 129,687	\$ 149,140
61	\$ 58.29	\$ 63.44	\$ 68.58	\$ 78.87	\$ 121,257	\$ 131,957	\$ 142,656	\$ 164,054
62	\$ 64.12	\$ 69.78	\$ 75.44	\$ 86.75	\$ 133,383	\$ 145,152	\$ 156,921	\$ 180,460
63	\$ 70.53	\$ 76.76	\$ 82.98	\$ 95.43	\$ 146,722	\$ 159,668	\$ 172,614	\$ 198,506
64	\$ 77.59	\$ 84.43	\$ 91.28	\$ 104.97	\$ 161,394	\$ 175,634	\$ 189,875	\$ 218,356
65	\$ 85.35	\$ 92.88	\$ 100.41	\$ 115.47	\$ 177,533	\$ 193,198	\$ 208,862	\$ 240,192
66	\$ 93.88	\$ 102.17	\$ 110.45	\$ 127.02	\$ 195,286	\$ 212,518	\$ 229,749	\$ 264,211
67	\$ 103.27	\$ 112.38	\$ 121.50	\$ 139.72	\$ 214,815	\$ 233,769	\$ 252,724	\$ 290,632
68	\$ 113.60	\$ 123.62	\$ 133.65	\$ 153.69	\$ 236,296	\$ 257,146	\$ 277,996	\$ 319,695
69	\$ 124.96	\$ 135.99	\$ 147.01	\$ 169.06	\$ 259,926	\$ 282,861	\$ 305,795	\$ 351,665
70	\$ 137.46	\$ 149.58	\$ 161.71	\$ 185.97	\$ 285,919	\$ 311,147	\$ 336,375	\$ 386,831

The Compensation Project

Proposed 2024 Executive Leadership Graded Salary Range Structure

Grade	Hourly				Annual			
	Minimum	Market Reference Point	Midpoint	Maximum	Minimum	Market Reference Point	Midpoint	Maximum
101	\$ 90.01	\$ 97.89	\$ 105.76	\$ 121.52	\$ 187,234	\$ 203,617	\$ 220,000	\$ 252,766
102	\$ 99.01	\$ 107.68	\$ 116.34	\$ 133.67	\$ 205,957	\$ 223,979	\$ 242,000	\$ 278,043
103	\$ 108.91	\$ 118.45	\$ 127.98	\$ 147.04	\$ 226,553	\$ 246,377	\$ 266,200	\$ 305,847
104	\$ 119.81	\$ 130.29	\$ 140.77	\$ 161.74	\$ 249,209	\$ 271,014	\$ 292,820	\$ 336,431
105	\$ 131.79	\$ 143.32	\$ 154.85	\$ 177.92	\$ 274,129	\$ 298,116	\$ 322,102	\$ 370,075
106	\$ 144.97	\$ 157.65	\$ 170.34	\$ 195.71	\$ 301,542	\$ 327,927	\$ 354,312	\$ 407,082
107	\$ 159.46	\$ 173.42	\$ 187.37	\$ 215.28	\$ 331,697	\$ 360,720	\$ 389,743	\$ 447,790

The Compensation Project, Pay Equity

Later in 2024, the Port will implement the Pay Equity methodology

- Pay Equity methodology will determine place in range for current and new hires based on allowable factors, similar experience and performance
- Some, but not all, employees will receive pay adjustments as a result
- Work experience for current employees is being analyzed
- New processes and guidelines for promotion, temporary assignment and new hire offers
- Opportunity to return to Commission for review prior to implementation.

Differences in pay can be attributed to two factors:



Experience



Performance

Salary & Benefits Resolution Background

What is the resolution, what does it do

- The Salary and Benefits Resolution is the Port Commission's authorization to revise the pay and benefits programs that are part of the Port's overall Total Rewards package for non-represented employees
- RCW 53.08.170 requires Port Commission to authorize pay and benefits for non-represented employees by resolution



Recommended Changes for 2024

Policy Establishing Jobs, Pay Grades, Graded Pay Range Structure, and Pay Rates

- Introduction of 2 Graded Salary Range Structures.
- Adjusting language to replace any reference of *'evaluated, evaluation, or evaluation system'* to *'assessed, assessment, or assessment process.'*
- Adjusting language of *'relative skill requirements, responsibility, effort required, and working conditions'* with *'essential responsibilities and minimum qualifications, such as knowledge and skills.'*

Recommended Changes for 2024

Policy Establishing Jobs, Pay Grades, Graded Pay Range Structure, and Pay Rates (Continued)

- Replacing the description with *'Pay rates for newly hired employee will be within the pay ranges set forth in the above graded Salary Range Structure. A newly hired employee's placement within the pay grade will be based on related experience they bring the Port.'*
- Remove part of the description *'and how it compares to current Port employees performing similar work.'*
- Moving the Chief of Police, Fire Chief, Deputy Chief of Police, and Assistant Fire Chief positions from the non-assessed job section to be included in the assessed jobs within the Port's Compensation Program.

Recommended Changes for 2024

Definitions & Technical Updates

- “At-will” definition adjusted to allow for any executive leadership position to be designated as at-will.
- “Seasonal Employee” definition adjusted to indicate the hire period is to last 6 months or less.
- Port Paid Medical Leave and Port Paid Family Leave definitions will be adjusted to align with Washington State’s definition of these two programs.

Estimated Cost

Introduction of new Graded Salary Range Structure

- Impacts 51 employees, approximately costing \$234,732, whose current salary falls below the new grade salary minimum.
 - The estimate has been updated from May 14 materials due to staffing changes (termination, new hires and promotion).

Salary and Benefits Resolution Briefing

Questions?

[RETURN TO AGENDA](#)



**COMMISSION
AGENDA MEMORANDUM**

Item No. 10a

ACTION ITEM

Date of Meeting June 11, 2024

DATE: May 24, 2024

TO: Stephen Metruck, Executive Director

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

SUBJECT: Resolution No. 3826 – Issuance and Sale of Intermediate Lien Revenue and Refunding Bonds in the Aggregate Principal Amount of Not-to-Exceed \$850,000,000.

ACTION REQUESTED

Request introduction of Resolution No. 3826: A Resolution of the Commission of the Port of Seattle authorizing the issuance and sale of Intermediate Lien revenue and refunding bonds in one or more series (the “2024 Revenue Bonds”), in the aggregate principal amount of not to exceed \$850,000,000 for the purposes of financing capital improvements to aviation facilities and refunding certain outstanding revenue bonds of the Port; setting forth certain bond terms and covenants; and delegating authority to approve final terms and conditions and the sale of the bonds.

EXECUTIVE SUMMARY

The 2024 Revenue Bonds will be used to fund an estimated \$535 million of capital improvements at the Airport, and to refund up to \$85,065,000 of outstanding Intermediate Lien revenue refunding bonds, Series 2013 (the “2013 Bonds”) and \$187,275,000 of outstanding Intermediate Lien revenue refunding bonds, Series 2015AB (the “2015 Bonds”), for debt service savings.

JUSTIFICATION

As part of the Port’s debt management program, the Port monitors opportunities to reduce debt service. At this time, current interest rates provide for a potentially favorable refunding opportunity on several outstanding Port revenue bonds, including the 2013 Bonds and the 2015 Bonds, both of which funded or refunded Airport capital improvements. The 2013 bonds are currently callable, and the 2015 bonds will be callable in September and October, 2024. The current estimated present value savings of refunding the 2013 Bonds and 2015 Bonds is approximately \$1.7 million and \$7.5 million, respectively.

The 2024-2028 Plan of Finance estimated future revenue bond needs of \$3.6 billion to help pay for the Airport’s ~\$5.5 billion capital improvement plan over the next five years, and these 2024 Revenue Bonds will include funding for approximately \$535 million of those Airport project costs. Some of the major projects to be funded, in part, with this bond issuance include North Main

Meeting Date: June 11, 2024

Terminal Redevelopment, Baggage Optimization, C Concourse Expansion, S Concourse Evolution, and A Concourse Expansion along with various other Airport improvements; a list of projects currently identified for 2024 Bond funding is provided in Exhibit A. If project spending is delayed or if other funding sources are available, e.g., federal grants, the 2024 Revenue Bond proceeds may be redirected to other projects within the limits established by the federal tax code. No 2024 Revenue Bond proceeds or other funds can be spent on any project without the appropriate project authorization.

The 2024 Revenue bonds will also include proceeds sufficient to pay cost of issuance, fund the required debt service reserve and pay a portion of the interest (capitalized interest) on the Bonds during project construction (i.e. until the bond funded projects can be placed in service and included in the rate base).

DETAILS

The Bonds are being issued pursuant to the Intermediate Lien Master Resolution No. 3540 and this Resolution No. 3826. The Bonds will be issued in multiple series based on the tax status of the projects to be funded or the tax status of the 2013 Bonds or 2015 Bonds being refunded. Three series are anticipated.

- One series is expected to be issued as governmental bonds exempt from all federal income tax (Non-AMT). This series would be used to refund the outstanding 2015 bonds; it may also provide funding for airport capital projects eligible for governmental bond funding, if applicable.
- A second series is expected to be issued as private activity bonds exempt from regular income tax but subject to the Alternative Minimum Tax (AMT). This is the most common type of tax-exempt bond that the Port issues because it allows the Port to lease facilities to airport and seaport tenants. This series would be used to refund the 2013 Bonds, which were issued as AMT bonds, and provide funding for on-going airport capital investments.
- The third series of bonds *may* be issued as taxable debt and investors would be subject to federal income tax. This series would be used to fund airport capital investments that are not eligible for tax-exempt bond funding or would otherwise benefit from greater flexibility of not needing to comply with tax-exempt bond restrictions. Currently, Port staff does not expect the need for taxable bonds, but we have retained the option to include a taxable series if circumstances change.

Meeting Date: June 11, 2024

The table below summarizes the potential refunding candidates.

<u>Refunding Candidates</u>	<u>Total Principal (\$)</u>
2015A Intermediate Lien Revenue Bonds (Non-AMT)	57,740,000
2015B Intermediate Lien Revenue Refunding Bonds (Non-AMT)	129,535,000
2013 Intermediate Lien Revenue Refunding Bonds (AMT)	85,065,000
	<u>272,340,000</u>

Resolution No. 3826 is similar in all material respects to other Intermediate Lien Series Resolutions and provides for a contribution to the common debt service reserve fund that provides security for all Intermediate Lien bonds.

The Resolution delegates to the Port’s Executive Director the authority to approve interest rates, maturity dates, redemption rights, interest payment dates, and principal maturities for the Bonds (these are generally set at the time of pricing and dictated by market conditions at that time). Commission parameters that limit the delegation are a maximum bond size, maximum interest rate, and expiration date for the delegated authority. If the Bonds cannot be sold within these parameters, further Commission action would be required. The recommended delegation parameters are:

Maximum size:	\$850,000,000
Maximum interest rate on Tax-Exempt bonds:	6.0%
Maximum interest rate on Taxable bonds (if needed):	7.0%
Expiration of Delegation of Authority:	June 25, 2025

Upon adoption, Resolution No. 3826 will authorize the Designated Port Representative (the Port’s Executive Director, the Deputy Executive Director or the Port’s Chief Financial Officer or their respective delegates) to approve the Bond Purchase Contract, escrow agreement, if any, pay the costs of issuance, execute all documents including the preparation and dissemination of a preliminary official statement and final official statement, provide for continuing disclosure and take other action appropriate for the prompt execution and delivery of the Bonds.

The Bonds will be sold through negotiated sale to BofA Securities, Barclays Capital, Goldman Sachs & Co. LLC, Jefferies LLC, Morgan Stanley, Siebert Williams Shank & Co., LLC ⁽²⁾, Academy Securities, Inc. ⁽¹⁾, and Stern Brothers & Company ⁽²⁾. Piper Sandler & Co. is serving as Financial Advisor, K&L Gates LLP is serving as bond counsel and Pacifica Law Group is serving as disclosure counsel on the transaction.

(1) Disabled veteran owned firm
 (2) Women or Minority owned firm

Meeting Date: June 11, 2024

ATTACHMENTS TO THIS REQUEST

- (1) Draft Resolution No. 3826
- (2) Presentation

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

October 24, 2023 – The Commission was briefed on the draft plan of finance.

EXHIBIT A

North Main Terminal Redevelopment (SEA Gateway Project)
C Concourse Expansion
S Concourse Evolution
Checked Baggage Optimization
Post IAF Airline Realignment
Main Terminal Low Voltage System Upgrade
A Concourse Expansion
Taxiway A Circuit Replacement
Upgrade Satellite Train System (STS) Control
Concourse Low Voltage System Upgrades
Passenger Loading Bridge Renewal and Replacement (2022)
N14WB and N15NB Common Use
Checkpoint 1 Relocation
Port Shared-Lounge Concourse A

INTERMEDIATE LIEN
SERIES RESOLUTION

PORT OF SEATTLE

RESOLUTION NO. 3826

A RESOLUTION of the Port of Seattle Commission authorizing the issuance and sale of intermediate lien revenue and refunding bonds in one or more series in the aggregate principal amount of not to exceed \$850,000,000, for the purpose of financing or refinancing costs of Port projects and for the purpose of refunding certain outstanding revenue bonds of the Port; setting forth certain bond terms and covenants; and delegating authority to approve final terms and conditions and the sale of the bonds.

ADOPTED: JUNE 25, 2024

Prepared by:

K&L GATES LLP

**PORT OF SEATTLE
Resolution No. 3826
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* This Table of Contents and the cover page are for convenience of reference and are not intended to be a part of this series resolution.

RESOLUTION NO. 3826

A RESOLUTION of the Port of Seattle Commission authorizing the issuance and sale of intermediate lien revenue and refunding bonds in one or more series in the aggregate principal amount of not to exceed \$850,000,000, for the purpose of financing or refinancing costs of Port projects and for the purpose of refunding certain outstanding revenue bonds of the Port; setting forth certain bond terms and covenants; and delegating authority to approve final terms and conditions and the sale of the bonds.

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

WHEREAS, the Port is authorized by RCW ch. 53.40 and ch. 39.46 to issue revenue bonds; 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 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 (Projected as of 07/02/2024)	Final Maturity Date
3619	07/16/2009	(B-2)	\$ 22,000,326 ⁽¹⁾	\$ 65,272,103 ⁽¹⁾	05/01/2031
3721	08/02/2016	(B)	124,380,000	92,930,000	10/01/2032
3721	08/02/2016	(C)	6,180,000	4,255,000	10/01/2032
3787	06/30/2021		43,015,000	27,280,000	09/01/2026

⁽¹⁾ Series 2009B-2 Bonds are capital appreciation bonds; total principal amount outstanding includes accreted interest of \$43,271,777 through July 2, 2024.

(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 nineteen 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 (Projected as of 07/02/2024)</u>	<u>Final Maturity Date</u>
3684	12/17/2013		\$ 139,105,000 ⁽¹⁾	\$85,065,000 ⁽¹⁾	07/01/2029
3709	08/06/2015	(A)	72,010,000 ⁽¹⁾	57,740,000 ⁽¹⁾	04/01/2040
3709	08/06/2015	(B)	284,440,000 ⁽¹⁾	129,535,000 ⁽¹⁾	03/01/2035
3709	08/06/2015	(C)	226,275,000	174,570,000	04/01/2040
3722	08/02/2016		99,095,000	99,095,000	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	165,875,000	05/01/2036
3735	08/22/2017	(C)	313,305,000	271,190,000	05/01/2042
3735	08/22/2017	(D)	93,230,000	34,880,000	05/01/2027
3749	06/21/2018	(A)	470,495,000	418,545,000	05/01/2043
3749	06/21/2018	(B)	85,145,000	41,940,000	05/01/2028
3758	08/07/2019		457,390,000	418,745,000	04/01/2044
3786	06/30/2021	(A)	47,025,000	12,610,000	12/01/2030
3786	06/30/2021	(B)	148,765,000	133,435,000	06/01/2040
3786	06/30/2021	(C)	514,390,000	481,730,000	08/01/2046
3786	06/30/2021	(D)	41,395,000	41,395,000	08/01/2031
3801	08/11/2022	(A)	206,200,000	206,200,000	08/01/2033
3801	08/11/2022	(B)	585,930,000	569,140,000	08/01/2047
3801	08/11/2022	(C)	70,435,000	55,095,000	08/01/2032

⁽¹⁾ All or part of the Series 2013, Series 2015A Bonds and Series 2015B may be refunded pursuant to this resolution.

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

WHEREAS, the First Lien Master Resolution and the Intermediate Lien Master Resolution permit the Port to issue its revenue bonds having a lien on Net Revenues and Available Intermediate Lien Revenues (as such terms are defined in the Intermediate Lien

Master Resolution) subordinate to the lien thereon of the Outstanding Intermediate Lien Parity Bonds; and

WHEREAS, the Port 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 (Projected as of 07/02/2024)	Final Maturity Date
3777	(CP)	\$ 400,000,000	\$ -	06/01/2051
3598	06/17/2008	200,715,000	136,395,000	07/01/2033

(the “Outstanding Subordinate Lien Bonds”); and

WHEREAS, the Port has certain Outstanding Intermediate Lien Parity Bonds described on Exhibit A attached hereto (the “Refunding Candidates”) that may be defeased and/or refunded, thereby saving on debt service, through the issuance of the Series 2024 Bonds (as hereinafter defined); and

WHEREAS, the Port wishes to finance or refinance certain capital improvements to aviation facilities (hereinafter defined as the “Projects”) through the issuance of the Series 2024 Bonds; and

WHEREAS, the Intermediate Lien Master Resolution permits the Port to issue its revenue bonds having a lien on Available Intermediate Lien Revenues (as such term is defined in the Intermediate Lien Master Resolution) on a parity with the lien thereon of the Outstanding Intermediate Lien Parity Bonds upon compliance with certain conditions; and

WHEREAS, the Port has determined that such conditions will be met; and

WHEREAS, pursuant to RCW 53.40.030, the Commission may delegate authority to the Executive Director of the Port to approve the designation of the bonds to be defeased and/or

refunded, the interest rates, maturity dates, redemption rights, interest payment dates, and principal maturities under such terms and conditions as are approved by resolution; and

WHEREAS, the Port has provided notice of and held a public hearing on the issuance of certain Series 2024 Bonds as required by Section 147(f) of the Internal Revenue Code, as amended; and

WHEREAS, it is deemed necessary and desirable that the Series 2024 Bonds be sold pursuant to one or more negotiated sale(s) as herein provided;

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

Section 1. Definitions. Unless otherwise defined herein, the terms used in this series resolution, including the preamble hereto, that are defined in the Intermediate Lien Master Resolution shall have the meanings set forth in the Intermediate Lien Master Resolution. In addition, the following terms shall have the following meanings in this series resolution:

Acquired Obligations mean the noncallable Government Obligations acquired by the Port pursuant to Section 8(c) of this series resolution and the Escrow Agreement, if any, to effect the defeasance and refunding of all or a portion of the Refunded Bonds.

Beneficial Owner means any person that has or shares the power, directly or indirectly, to make investment decisions concerning ownership of any Series 2024 Bonds (including persons holding Series 2024 Bonds through nominees, depositories or other intermediaries).

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 series resolution applicable to the use of that term.

Bond Insurance Commitment means the commitment(s) of the Bond Insurer, if any, to insure one or more series, or certain principal maturities thereof, all or a portion of the Series 2024 Bonds.

Bond Insurance Policy means the policy(ies) of municipal bond insurance, if any, delivered by the Bond Insurer at the time of issuance and delivery of Series 2024 Bonds to be insured pursuant to the Bond Insurance Commitment.

Bond Insurer means the municipal bond insurer(s), if any, that has committed to insure one or more series, or certain principal maturities thereof, of the Series 2024 Bonds, pursuant to the Bond Insurance Commitment.

Bond Purchase Contract means each of the Bond Purchase Contract(s) for the Series 2024 Bonds of one or more series, providing for the purchase of the Series 2024 Bonds of such series by the Underwriters and setting forth certain terms authorized to be approved by the Designated Port Representative as provided in Section 7 of this series resolution.

Bond Register means the registration books maintained by the Registrar containing the name and mailing address of the owner of each Series 2024 Bond or nominee of such owner and the principal amount and number of Series 2024 Bonds held by each owner or nominee.

Chief Financial Officer means the Chief Financial Officer of the Port, or any successor to the functions of his/her office.

Code means the Internal Revenue Code of 1986, as amended, and all applicable regulations and rulings relating thereto.

Continuing Disclosure Undertaking means each undertaking for ongoing disclosure executed by the Port pursuant to Section 15 of this series resolution.

Costs of Issuance Agreement means the agreement of that name, if any, to be entered into by the Port and the Escrow Agent, providing for the payment of certain costs of issuance with respect to the issuance of the Series 2024 Bonds.

Deputy Executive Director means the Deputy Executive Director of the Port, or any successor to the functions of his/her office.

Designated Port Representative, for purposes of this series resolution, means the Executive Director of the Port, the Deputy Executive Director 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.

DTC means The Depository Trust Company, New York, New York, a limited purpose trust company organized under the laws of the State of New York, as depository for the Series 2024 Bonds pursuant to Section 5 of this series resolution.

Escrow Agent means U.S. Bank Trust Company, National Association or such other Escrow Agent for the Refunded Bonds appointed by the Designated Port Representative pursuant to this series resolution if the Designated Port Representative determines that an escrow will be necessary or required to carry out the plan of refunding.

Escrow Agreement means the Escrow Deposit Agreement, if any, dated as of the date of the closing and delivery of the Refunding Bonds between the Port and the Escrow Agent to be executed in connection with the defeasance and/or refunding of some or all of the Refunded Bonds.

Executive Director means the Executive Director of the Port, or any successor to the functions of his/her office.

Federal Tax Certificate means the certificate(s) of that name executed and delivered by the Designated Port Representative at the time of issuance and delivery of the Series 2024 Bonds issued on a federally tax-exempt basis.

First Lien Master Resolution means Resolution No. 3059, as amended, of the Commission adopted on February 2, 1990, as amended and restated by Resolution No. 3577 of the Commission adopted on February 27, 2007.

Government Obligations has the meaning given to such term in RCW Chapter 39.53, as amended from time to time.

Intermediate Lien Master Resolution means Resolution No. 3540, as amended, of the Commission adopted on June 14, 2005.

Letter of Representations means the blanket issuer letter of representations from the Port to DTC, dated August 28, 1995.

MSRB means the Municipal Securities Rulemaking Board or any successors to its functions. Until otherwise designated by the MSRB or the United States Securities and Exchange Commission, any information, reports or notices submitted to the MSRB in compliance with the Rule are to be submitted through the MSRB's Electronic Municipal Market Access system, currently located at www.emma.msrb.org.

Outstanding Intermediate Lien Parity Bonds mean the Port's outstanding intermediate lien revenue bonds identified in the recitals to this series resolution.

Outstanding Subordinate Lien Bonds mean the Port's outstanding subordinate lien revenue bonds identified in the recitals to this series resolution.

Project Bonds mean the Series 2024 Bonds issued for the purpose of funding all or part of the Projects, capitalizing interest, funding the Series 2024 Reserve Account Deposit and paying all or a portion of allocable costs of issuance.

Projects mean the capital projects listed in Exhibit B hereto.

Record Date means the close of business on the 15th day prior to each day on which a payment of interest on the Series 2024 Bonds is due and payable.

Refunded Bonds mean the Refunding Candidates that are designated by the Executive Director pursuant to authority delegated by Section 2 and Section 7 of this series resolution.

Refunding Bonds means the Series 2024 Bonds issued for the purpose of defeasing and/or refunding the Refunded Bonds.

Refunding Candidates mean the outstanding revenue bonds of the Port as described on Exhibit A.

Registered Owner means the person named as the registered owner of a Series 2024 Bond in the Bond Register.

Registrar means the fiscal agent of the State of Washington, appointed by the Designated Port Representative for the purposes of registering and authenticating the Series 2024 Bonds, maintaining the Bond Register and effecting transfer of ownership of the Series 2024 Bonds. The term **Registrar** shall include any successor to the fiscal agent, if any, hereinafter appointed by the Designated Port Representative.

Rule means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended from time to time.

Series 2024 Bonds mean the Port of Seattle Intermediate Lien Revenue and Refunding Bonds, Series 2024, or with such other appropriate description and series designations as provided for by the Designated Port Representative, authorized to be issued by Section 2 of this series resolution.

Series 2024 Reserve Account Deposit means the amount, if any, that is required to be added to the reserve account balances in the Intermediate Lien Reserve Account to satisfy the

Intermediate Lien Reserve Requirement and that is identified in a closing certificate or certificates of the Port.

Subordinate Lien Bond Resolutions mean, collectively, Resolution No. 3238, as amended; Resolution No. 3456, as amended, as further amended by Resolution No. 3777; and Resolution No. 3598, as amended.

Surety Bond means the surety bond(s), if any, issued by the Surety Bond Issuer on the date of issuance of the Series 2024 Bonds for the purpose of satisfying the Series 2024 Reserve Account Deposit. There may be more than one Surety Bond.

Surety Bond Agreement means any Agreement(s) between the Port and the Surety Bond Issuer with respect to the Surety Bond(s).

Surety Bond Issuer means any issuer(s) of the Surety Bond(s).

Underwriters mean, collectively, BofA Securities, Inc, Barclays Capital Inc., Goldman Sachs & Co. LLC, Jefferies LLC, Morgan Stanley & Co. LLC, Siebert Williams Shank & Co., Academy Securities, Inc., and Stern Brothers & Co.

Rules of Interpretation. In this series resolution, unless the context otherwise requires:

(a) The terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder” and any similar terms, as used in this series resolution, refer to this series resolution as a whole and not to any particular article, section, subdivision or clause hereof, and the term “hereafter” shall mean after, and the term “heretofore” shall mean before the date of this series resolution;

(b) Words 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 series resolution, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this series resolution, nor shall they affect its meaning, construction or effect;

(e) All references herein to “articles,” “sections” and other subdivisions or clauses are to the corresponding articles, sections, subdivisions or clauses hereof; and

(f) Except as explicitly provided herein, 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.

Section 2. Plan of Finance; Authorization of Series 2024 Bonds.

(a) *Plan of Finance.* The Port intends to undertake improvements to its airport facilities at the locations described on Exhibit B (the “Projects”) attached hereto and incorporated by this reference herein. A portion of the costs of the Projects are expected to be paid, refinanced or reimbursed with the proceeds of the Project Bonds.

The Refunding Candidates may be defeased or are callable in whole or in part prior to their scheduled maturities and may be selected for defeasance and/or refunding depending on market conditions. The final selection of the Refunding Candidates to be designated as Refunded Bonds and to be defeased and/or refunded by the Refunding Bonds shall be made by the Executive Director pursuant to the authority granted in Section 7 of this series resolution.

(b) *Authorization of Series 2024 Bonds.* The Port shall issue bonds in one or more series (the “Series 2024 Bonds”) consisting of the Project Bonds and the Refunding Bonds, if

any. The proceeds of the Project Bonds shall be used for the purpose of providing part of the funds necessary to (i) pay or to reimburse the Port for all or a portion of the costs of the Projects; (ii) at the option of the Designated Port Representative, capitalize interest on all or a portion of the Series 2024 Bonds; (iii) make a Series 2024 Reserve Account Deposit or purchase a Surety Bond therefor, if required; and (iv) pay all or a portion of the costs incidental to the foregoing and to the issuance of the Project Bonds. The proceeds of the Refunding Bonds, if any, shall be used for the purpose of providing the funds necessary to (i) defease and/or refund the Refunded Bonds; and (ii) pay all or a portion of the costs incidental to the foregoing and to the issuance of the Refunding Bonds.

(c) *Maximum Principal Amount.* The aggregate principal amount of the Series 2024 Bonds to be issued under this series resolution shall not exceed \$850,000,000. The aggregate principal amount of the Project Bonds and the aggregate principal amount of Refunding Bonds shall be determined by the Executive Director, pursuant to the authority granted in Section 7 of this series resolution.

Section 3. Series 2024 Bond Details.

(a) *Series 2024 Bonds.* The Series 2024 Bonds shall be issued in one or more series, shall be designated as “Port of Seattle Intermediate Lien Revenue and Refunding Bonds, Series 2024,” with such description and additional designations for each series for identification purposes as may be approved by the Designated Port Representative, shall be registered as to both principal and interest, shall be issued in the aggregate principal amount set forth in the Bond Purchase Contract, shall be numbered separately in the manner and with any additional designation as the Registrar deems necessary for purposes of identification, shall be dated their date of delivery to the Underwriters, and shall be in the denomination of \$5,000 each or any integral multiple of \$5,000 within a series and maturity. The Series 2024 Bonds of each series

shall bear interest from their date of delivery to the Underwriters until the Series 2024 Bonds bearing such interest have been paid or their payment duly provided for, at the rates, payable on the dates, set forth in the Bond Purchase Contract for each series and shall mature on the dates and in the years and in the principal amounts set forth in the Bond Purchase Contract, all as approved by the Executive Director pursuant to Section 7 of this series resolution.

(b) *Limited Obligations.* The Series 2024 Bonds shall be obligations only of the Intermediate Lien Bond Fund and the Intermediate Lien Reserve Account created under the Intermediate Lien Master Resolution and shall be payable and secured as provided in the Intermediate Lien Master Resolution and this series resolution. The Series 2024 Bonds do not constitute an indebtedness of the Port within the meaning of the constitutional provisions and limitations of the State of Washington.

Section 4. Redemption and Purchase.

(a) *Optional Redemption.* The Series 2024 Bonds of one or more series and maturities may be subject to optional redemption on the dates, at the prices and under the terms relating to such series set forth in the Bond Purchase Contract, all as approved by the Executive Director pursuant to Section 7 of this series resolution.

(b) *Mandatory Redemption.* The Series 2024 Bonds of one or more series and maturities may be subject to mandatory redemption to the extent, if any, set forth in the Bond Purchase Contract relating to such series, all as approved by the Executive Director pursuant to Section 7 of this series resolution.

(c) *Purchase of Series 2024 Bonds.* The Port reserves the right to use at any time the proceeds of refunding bonds, any surplus Gross Revenue available after providing for the payments required by paragraphs First through Fifth of Section 2(a) of the First Lien Master Resolution, including the payments required by paragraphs First through Eleventh of the priority

for use of Gross Revenue set forth in the Intermediate Lien Master Resolution, and/or any other legally available funds to purchase any of the Series 2024 Bonds offered to the Port at any price deemed reasonable to the Designated Port Representative. Any Series 2024 Bonds so purchased shall be cancelled if delivered to the Registrar. If any Series 2024 Bonds so purchased are term bonds, the Port may allocate the principal amount of the purchased Series 2024 Bonds to the principal amortization schedule of those term bonds.

(d) *Selection of Series 2024 Bonds for Redemption or Purchase.* If Series 2024 Bonds are designated for optional redemption or purchase pursuant to Section 4(c), the series, maturities, and interest rates of such Series 2024 Bonds shall be selected by the Port. In the event that Series 2024 Bonds are designated for redemption or purchase pursuant to Section 4(c), the Port may designate which sinking fund installments or portions thereof, are to be reduced as allocated to such redemption or purchase. If any Series 2024 Bonds to be redeemed (optional, mandatory, or pursuant to Section 4(c) hereof) are then held in book-entry-only form, the selection of such Series 2024 Bonds within a series, maturity, and interest rate to be redeemed within a maturity and interest rate shall be made in accordance with the operational arrangements then in effect at DTC (or at a substitute depository, if applicable). If the Series 2024 Bonds to be redeemed are no longer held in book-entry-only form, the selection of such Series 2024 Bonds to be redeemed shall be made in the following manner. If the Port redeems at any one time fewer than all of the Series 2024 Bonds having the same maturity date and interest rate within a series, the particular Series 2024 Bonds or portions of Series 2024 Bonds to be redeemed within the series, maturity, and interest rate shall be selected by lot (or in such other random manner determined by the Registrar) in increments of \$5,000, provided that the Port may allocate the principal amount of the Series 2024 Bonds so redeemed to the principal amortization scheduled of those term bonds. In the case of a Series 2024 Bond within a series, maturity, and interest rate

of a denomination greater than \$5,000, the Port and Registrar shall treat each Series 2024 Bond of the applicable series, maturity and interest rate as representing such number of separate Series 2024 Bonds each of the denomination of \$5,000 as is obtained by dividing the actual principal amount of such Series 2024 Bonds of the applicable series, maturity, and interest rate by \$5,000. In the event that only a portion of the principal amount of a Series 2024 Bond is redeemed, upon surrender of such Series 2024 Bond at the principal office of the Registrar there shall be issued to the Registered Owner, without charge therefor, for the then-unredeemed balance of the principal amount thereof a Series 2024 Bond or, at the option of the Registered Owner, a Series 2024 Bond of like series, maturity, and interest rate in any of the denominations herein authorized. Notwithstanding the foregoing, the manner of selection of Series 2024 Bonds issued on a federally taxable basis for redemption may be set forth in the Bond Purchase Contract relating to such series and as approved by the Designated Port Representative.

(e) *Notice of Redemption.* Written notice of any redemption of Series 2024 Bonds prior to maturity shall be given by the Registrar on behalf of the Port by first class mail, postage prepaid, not less than 20 days nor more than 60 days before the date fixed for redemption to the Registered Owners of Series 2024 Bonds that are to be redeemed at their last addresses shown on the Bond Register. This requirement shall be deemed complied with when notice is mailed to the Registered Owners at their last addresses shown on the Bond Register, whether or not such notice is actually received by the Registered Owners.

So long as the Series 2024 Bonds are in book-entry only form, notice of redemption shall be given to Beneficial Owners of Series 2024 Bonds to be redeemed in accordance with the operational arrangements then in effect at DTC (or its successor or alternate depository), and neither the Port nor the Registrar shall be obligated or responsible to confirm that any notice of redemption is, in fact, provided to Beneficial Owners.

Each notice of redemption (which notice in the case of optional redemption may be conditional and/or may be rescinded at the option of the Port) prepared and given by the Registrar to Registered Owners of Series 2024 Bonds shall contain the following information: (1) the date fixed for redemption, (2) the redemption price, (3) if fewer than all outstanding Series 2024 Bonds of a series are to be redeemed, the identification by series, maturity, and interest rate (and, in the case of partial redemption, the principal amounts) of the Series 2024 Bonds to be redeemed, (4) whether, in the case of optional redemption, the notice of redemption is conditional and, if conditional, the conditions to redemption, (5) that (unless the conditions, if any, to redemption have not been satisfied or unless the notice of redemption shall have been rescinded) such Series 2024 Bonds will become due and payable and interest shall cease to accrue from the date fixed for redemption if and to the extent in each case funds have been provided to the Registrar for the redemption of such Series 2024 Bonds on the date fixed for redemption the redemption price will become due and payable upon each Series 2024 Bond or portion called for redemption, and that (unless the conditions, if any, to redemption have not been satisfied or unless the notice of redemption shall have been rescinded) interest shall cease to accrue from the date fixed for redemption if and to the extent that funds have been provided to the Registrar for the redemption of such Series 2024 Bonds, (6) that the Series 2024 Bonds are to be surrendered for payment at the principal office of the Registrar, (7) the CUSIP numbers of all Series 2024 Bonds being redeemed, (8) the dated date of the Series 2024 Bonds being redeemed, (9) the rate of interest for each Series 2024 Bond being redeemed, (10) the date of the notice, and (11) any other information deemed necessary by the Registrar to identify the Series 2024 Bonds being redeemed.

Upon the payment of the redemption price of Series 2024 Bonds being redeemed, each check or other transfer of funds issued for such purpose shall bear the CUSIP number

identifying, by issue, series and maturity, the Series 2024 Bonds being redeemed with the proceeds of such check or other transfer, or in the case of a payment to DTC shall be accompanied by an informational communication evidencing the CUSIP and related informational details with respect to each security being paid by wire transfer.

(f) *Effect of Redemption.* Unless the Port has rescinded a notice of optional redemption (or unless the Port provided a conditional notice of optional redemption and the conditions for the optional redemption set forth therein are not satisfied), the Series 2024 Bonds to be redeemed shall become due and payable on the date fixed for redemption, and the Port shall transfer to the Registrar amounts that, in addition to other money, if any, held by the Registrar for such purpose, will be sufficient to redeem, on the date fixed for redemption, all of the Series 2024 Bonds to be redeemed. If and to the extent that funds have been provided to the Registrar for the redemption of Series 2024 Bonds then from and after the date fixed for redemption for such Series 2024 Bond or portion thereof, interest on each such Series 2024 Bond shall cease to accrue and such Series 2024 Bond or portion thereof shall cease to be outstanding.

(g) *Amendment of Notice Provisions.* The foregoing notice provisions of this section, including but not limited to the information to be included in redemption notices and the persons designated to receive notices, may be amended by additions, deletions and changes to maintain compliance with duly promulgated regulations and recommendations regarding notices of redemption of municipal securities.

(h) *Exchange of Series 2024 Bonds.* Nothing herein shall prevent the Port from negotiating an exchange of a validly delivered Series 2024 Bond by the owner thereof for a different validly delivered Port bond. Any such exchange shall be described in a subsequent authorizing resolution.

Section 5. Registration, Exchange and Payments.

(a) *Registrar/Bond Register.* The Port hereby specifies and adopts the system of registration and transfer for the Series 2024 Bonds approved by the Washington State Finance Committee, which utilizes the fiscal agent of the State of Washington, for the purposes of registering and authenticating the Series 2024 Bonds, maintaining the Bond Register and effecting transfer of ownership of the Series 2024 Bonds (the “Registrar”). The Registrar shall keep, or cause to be kept, at its principal corporate trust office, sufficient records for the registration and transfer of the Series 2024 Bonds (the “Bond Register”), which shall be open to inspection by the Port. The Registrar may be removed at any time at the option of the Designated Port Representative upon prior notice to the Registrar, DTC (or its successor or alternate depository), each party entitled to receive notice pursuant to the Continuing Disclosure Undertaking and a successor Registrar appointed by the Designated Port Representative. No resignation or removal of the Registrar shall be effective until a successor shall have been appointed and until the successor Registrar shall have accepted the duties of the Registrar hereunder. The Registrar is authorized, on behalf of the Port, to authenticate and deliver Series 2024 Bonds transferred or exchanged in accordance with the provisions of such Series 2024 Bonds and this series resolution and to carry out all of the Registrar’s powers and duties under this series resolution. The Registrar shall be responsible for its representations contained in the Certificate of Authentication on the Series 2024 Bonds.

(b) *Registered Ownership.* Except as provided in the last sentence of Section 5(c) or the Continuing Disclosure Undertaking authorized pursuant to Section 15 of this series resolution, the Port and the Registrar may deem and treat the Registered Owner of each Series 2024 Bond as the absolute owner for all purposes, and neither the Port nor the Registrar shall be affected by any notice to the contrary. Payment of any such Series 2024 Bond shall be

made only as described in subsection (h) of this Section 5, but the transfer of such Series 2024 Bond may be registered as herein provided. All such payments made as described in subsection (h) of this Section 5 shall be valid and shall satisfy the liability of the Port upon such Series 2024 Bond to the extent of the amount or amounts so paid.

(c) *DTC Acceptance/Letter of Representations.* The Series 2024 Bonds shall initially be held in fully immobilized form by DTC acting as depository. To induce DTC to accept the Series 2024 Bonds as eligible for deposit at DTC, the Port has heretofore executed and delivered to DTC the Letter of Representations.

Neither the Port nor the Registrar will have any responsibility or obligation to DTC participants or the persons for whom they act as nominees with respect to the Series 2024 Bonds for the accuracy of any records maintained by DTC (or any successor or alternate depository) or any DTC participant, the payment by DTC (or any successor or alternate depository) or any DTC participant of any amount in respect of the principal of or interest on Series 2024 Bonds, any notice that is permitted or required to be given to Registered Owners under this series resolution (except such notices as shall be required to be given by the Port to the Registrar or, by the Registrar, to DTC or any successor or alternate depository), the selection by DTC or by any DTC participant of any person to receive payment in the event of a partial redemption of the Series 2024 Bonds, or any consent given or other action taken by DTC (or any successor or alternate depository) as the Registered Owner. So long as any Series 2024 Bonds are held in fully immobilized form, DTC or its successor depository shall be deemed to be the owner and Registered Owner for all purposes, and all references in this series resolution to the Registered Owners shall mean DTC (or any successor or alternate depository) or its nominee and shall not mean the owners of any beneficial interest in any Series 2024 Bonds. Notwithstanding the foregoing, if a Bond Insurance Policy is issued for any series or maturity of the

Series 2024 Bonds and so long as the Bond Insurer is not in default under its Policy, the Bond Insurer shall be deemed to be the owner, Registered Owner, and holder of all bonds of that series or maturity for the purpose of granting consents and exercising voting rights with respect thereto and for any other purpose identified and specified in the Bond Insurance Commitment accepted by the Port as a condition of issuance of the Bond Insurance Policy.

(d) *Use of Depository.*

(1) The Series 2024 Bonds shall be registered initially in the name of CEDE & Co., as nominee of DTC, with a single Series 2024 Bond for each series and maturity having the same interest rate in a denomination equal to the total principal amount of such series and maturity. Registered ownership of such immobilized Series 2024 Bonds, or any portions thereof, may not thereafter be transferred except (A) to any successor of DTC or its nominee, or to any other nominee requested by an authorized representative of DTC, provided that any such successor shall be qualified under any applicable laws to provide the service proposed to be provided by it; (B) to any substitute depository appointed by the Port pursuant to subsection (2) below or such substitute depository's successor or nominee; or (C) to any person as provided in subsection (4) below.

(2) Upon the resignation of DTC or its successor (or any substitute depository or its successor) from its functions as depository or a determination by the Port to discontinue the system of book entry transfers through DTC or its successor (or any substitute depository or its successor), the Port may appoint a substitute depository. Any such substitute depository shall be qualified under any applicable laws to provide the services proposed to be provided by it.

(3) In the case of any transfer pursuant to clause (A) or (B) of subsection (1) above, the Registrar shall, upon receipt of all outstanding Series 2024 Bonds, together with a written request on behalf of the Port, issue a single new Series 2024 Bond for each series and

maturity then outstanding, registered in the name of such successor or substitute depository, or its nominee, all as specified in such written request of the Port.

(4) In the event that (A) DTC or its successor (or substitute depository or its successor) resigns from its functions as depository, and no substitute depository can be obtained, or (B) the Port determines that it is in the best interest of the Beneficial Owners of the Series 2024 Bonds of any series that the Series 2024 Bonds of that series be provided in certificated form, the ownership of such Series 2024 Bonds may then be transferred to any person or entity as herein provided, and shall no longer be held in fully immobilized form. The Port shall deliver a written request to the Registrar, together with a supply of definitive Series 2024 Bonds (of the appropriate series and maturities) in certificated form, to issue Series 2024 Bonds in any authorized denominations. Upon receipt by the Registrar of all then outstanding Series 2024 Bonds (of the appropriate series), together with a written request on behalf of the Port to the Registrar, new Series 2024 Bonds of such series shall be issued in the appropriate denominations and registered in the names of such persons as are provided in such written request.

(e) *Registration of the Transfer of Ownership or the Exchange of Series 2024 Bonds; Change in Denominations.* The transfer of any Series 2024 Bond may be registered and any Series 2024 Bond may be exchanged, but no transfer of any Series 2024 Bond shall be valid unless the Series 2024 Bond is surrendered to the Registrar with the assignment form appearing on such Series 2024 Bond duly executed by the Registered Owner or such Registered Owner's duly authorized agent in a manner satisfactory to the Registrar. Upon such surrender, the Registrar shall cancel the surrendered Series 2024 Bond and shall authenticate and deliver, without charge to the Registered Owner or transferee, a new Series 2024 Bond (or Series 2024 Bonds at the option of the Registered Owner) of the same date, series, maturity and interest rate

and for the same aggregate principal amount in any authorized denomination, as and naming as Registered Owner the person or persons listed as the assignee on the assignment form appearing on the surrendered Series 2024 Bond, in exchange for such surrendered and canceled Series 2024 Bond. Any Series 2024 Bond may be surrendered to the Registrar, together with the assignment form appearing on such Series 2024 Bond duly executed, and exchanged, without charge, for an equal aggregate principal amount of Series 2024 Bonds of the same date, series, maturity and interest rate, in any authorized denomination. The Registrar shall not be obligated to register the transfer or exchange of any Series 2024 Bond during a period beginning at the opening of business on the Record Date with respect to an interest payment date and ending at the close of business on such interest payment date, or, in the case of any proposed redemption of the Series 2024 Bonds, after the mailing of notice of the call for redemption of such Series 2024 Bonds.

(f) *Registrar's Ownership of Series 2024 Bonds.* The Registrar may become the Registered Owner of any Series 2024 Bond with the same rights it would have if it were not the Registrar, and to the extent permitted by law, may act as depository for and permit any of its officers or directors to act as member of, or in any other capacity with respect to, any committee formed to protect the rights of the Registered Owners of the Series 2024 Bonds.

(g) *Registration Covenant.* The Port covenants that, until all Series 2024 Bonds issued on a federally tax-exempt basis have been surrendered and canceled, it will maintain a system for recording the ownership of each Series 2024 Bond that complies with the provisions of Section 149 of the Code.

(h) *Place and Medium of Payment.* The principal of, premium, if any, and interest on the Series 2024 Bonds shall be payable in lawful money of the United States of America. Interest on the Series 2024 Bonds shall be calculated on the basis of a 360-day year and twelve

30-day months. For so long as all Series 2024 Bonds are in fully immobilized form with DTC, payments of principal, premium, if any, and interest shall be made as provided to the parties entitled to receive payment as of each Record Date in accordance with the operational arrangements of DTC described in the Letter of Representations. In the event that the Series 2024 Bonds are no longer in fully immobilized form with DTC (or its successor or alternate depository), interest on the Series 2024 Bonds shall be paid by check mailed to the Registered Owners at the addresses for such Registered Owners appearing on the Bond Register as of the Record Date, and principal and premium, if any, of the Series 2024 Bonds shall be payable by check upon presentation and surrender of such Series 2024 Bonds by the Registered Owners at the principal office of the Registrar; provided, however, that if so requested in writing prior to the opening of business on the Record Date by the Registered Owner of at least \$1,000,000 aggregate principal amount of Series 2024 Bonds of a series, interest on such Series 2024 Bonds will be paid thereafter by wire transfer on the date due to an account with a bank located within the United States.

Section 6. Pledge of Available Intermediate Lien Revenues; Series 2024 Reserve Account Deposit.

(a) *Pledge of Available Intermediate Lien Revenue.* Pursuant to the Intermediate Lien Master Resolution, the Intermediate Lien Bond Fund and the Intermediate Lien Reserve Account have been created for the purpose of paying and securing the payment of the principal of, premium, if any, and interest on all Outstanding Intermediate Lien Parity Bonds. The Port hereby irrevocably obligates and binds itself for as long as any Series 2024 Bonds remain outstanding to set aside and pay into the Intermediate Lien Bond Fund from Available Intermediate Lien Revenues 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 Series 2024 Bonds; and

(2) Such amounts with respect to Series 2024 Bonds as are required (A) to pay maturing principal, (B) to make any required sinking fund payments, and (C) to redeem Series 2024 Bonds in accordance with any mandatory redemption provisions.

Said amounts so pledged to be paid into such special funds are hereby declared to be a prior lien and charge upon the Gross Revenue superior to all other liens and charges of any kind or nature whatsoever except for (i) Operating Expenses, (ii) liens and charges thereon of Permitted Prior Lien Bonds, and (iii) liens and charges equal in rank that have or may be made thereon to pay Net Payments due pursuant to any Parity Derivative Product and to pay and secure the payment of the principal of, premium, if any, and interest on Outstanding Intermediate Lien Parity Bonds and any Intermediate Lien Parity Bonds issued in the future under authority of a Series Resolution in accordance with the provisions of Sections 4 and 5 of the Intermediate Lien Master Resolution.

(b) *Reserve Account Deposit.* The Series 2024 Reserve Account Deposit shall be deposited in the Intermediate Lien Reserve Account (or shall be satisfied through the issuance of one or more Surety Bonds) on the date of issuance of the Series 2024 Bonds. Together with existing reserve account balances in the Intermediate Lien Reserve Account, the Series 2024 Reserve Account Deposit shall be at least sufficient to meet the Intermediate Lien Reserve Requirement.

The Designated Port Representative may decide to utilize one or more Surety Bonds to satisfy the Series 2024 Reserve Account Deposit; provided that each Surety Bond meets the

qualifications for Qualified Insurance. Upon such election, the Designated Port Representative is hereby authorized to execute and deliver one or more Surety Bond Agreements with one or more Surety Bond Issuers to effect the delivery of the Surety Bond(s).

Section 7. Designation of Refunded Bonds; Sale of Series 2024 Bonds.

(a) *Designation of Refunded Bonds.* As outlined in Section 2 and Section 9 of this series resolution, the Refunding Candidates may be called for redemption prior to their scheduled maturities. All or some of the Refunding Candidates may be defeased and/or refunded with the proceeds of the Series 2024 Bonds authorized by this series resolution. The Executive Director may select some or all of the Refunding Candidates and designate those Refunding Candidates as the “Refunded Bonds” in the Bond Purchase Contract if and to the extent that the criteria set forth in subsection (b) are met.

(b) *Series 2024 Bond Sale.* The Series 2024 Bonds shall be sold at one or more negotiated sale(s) to the Underwriters pursuant to the terms of the applicable Bond Purchase Contract. The Designated Port Representative is hereby authorized to negotiate terms for the purchase of the Series 2024 Bonds and to execute one or more Bond Purchase Contracts, with such terms (including the designation of the Refunded Bonds and the Series 2024 Reserve Account Deposit) as are approved by the Executive Director pursuant to this section and consistent with this series resolution and the Intermediate Lien Master Resolution. The Commission has been advised by the Port’s municipal advisor that market conditions are fluctuating and, as a result, the most favorable market conditions may occur on a day other than a regular meeting date of the Commission. The Commission has determined that it would be in the best interest of the Port to delegate to the Executive Director for a limited time the authority to approve the designation of the Refunded Bonds and to approve the number of series, final series designations, and with respect to each series, the date of sale, the tax status of each series,

interest rates, maturity dates, aggregate principal amount, principal amounts and prices of each maturity, redemption rights, and other terms and conditions of the Series 2024 Bonds. The Executive Director is hereby authorized to approve the designation of the Refunded Bonds and to approve the number of series, final series designations, and with respect to each series, the date of sale, the tax status of each series, interest rates, maturity dates, aggregate principal amount, principal amounts of each maturity and redemption rights for the Series 2024 Bonds in the manner provided hereafter (A) so long as the aggregate principal amount of the Series 2024 Bonds does not exceed the maximum principal amount set forth in Section 2, and (B) so long as the true interest cost for the Series 2024 Bonds of a series issued on a federally tax-exempt basis does not exceed 6.0% per annum, and so long as the true interest cost for the Series 2024 Bonds of a series issued on a federally taxable basis does not exceed 7.0% per annum.

In designating the Refunded Bonds, determining the number of series, final series designations, the date of sale, tax status of each series, interest rates, prices, maturity dates, aggregate principal amount, principal amount of each maturity, redemption rights or provisions of the Series 2024 Bonds for approval and the Series 2024 Reserve Account Deposit, the Designated Port Representative, in consultation with Port staff and the Port's municipal advisor, shall take into account those factors that, in his judgment, will result in the most favorable interest cost on the Series 2024 Bonds of a series, including, but not limited to, current financial market conditions and current interest rates for obligations comparable in tenor and quality to the Series 2024 Bonds. Subject to the terms and conditions set forth in this section, the Designated Port Representative is hereby authorized to execute the final form of the Bond Purchase Contract, upon the Executive Director's approval of the Refunded Bonds, the number of series, final series designations, the date of sale, tax status of each series, interest rates, maturity dates, aggregate principal amount, principal amount of each maturity and redemption rights set forth

therein. Following the execution of the Bond Purchase Contract, the Executive Director or Designated Port Representative shall provide a report to the Commission, describing the final terms of the Series 2024 Bonds approved pursuant to the authority delegated in this section. The authority granted to the Designated Port Representative and the Executive Director by this section shall expire on June 25, 2025. If a Bond Purchase Contract for the Series 2024 Bonds of a series has not been executed by June 25, 2025, the authorization for the issuance of the Series 2024 Bonds of that series shall be rescinded, and the Series 2024 Bonds shall not be issued nor their sale approved unless the Series 2024 Bonds shall have been re-authorized by resolution of the Commission. The resolution reauthorizing the issuance and sale of the Series 2024 Bonds may be in the form of a new series resolution repealing this series resolution in whole or in part (only with respect to the Series 2024 Bonds not issued) or may be in the form of an amendatory resolution approving a bond purchase contract or extending or establishing new terms and conditions for the authority delegated under this section.

Upon the adoption of this series resolution, the proper officials of the Port including the Designated Port Representative, are authorized and directed to undertake all other actions necessary for the prompt execution and delivery of the Series 2024 Bonds to the Underwriters thereof and further to execute all closing certificates and documents required to effect the closing and delivery of the Series 2024 Bonds in accordance with the terms of the Bond Purchase Contract.

The Designated Port Representative and other Port officials, agents and representatives are hereby authorized and directed to do everything necessary for the prompt issuance, execution and delivery of the Series 2024 Bonds to the Underwriters and for the proper application and use of the proceeds of sale of the Series 2024 Bonds. In furtherance of the foregoing, the Designated Port Representative is authorized to approve and enter into agreements for the payment of costs

of issuance, including Underwriters' discount, the fees and expenses specified in the Bond Purchase Contract, including fees and expenses of the Underwriters and other retained services, including Bond Counsel, disclosure counsel, rating agencies, fiscal agent, escrow agent verification agent, financial advisory services, independent consultant, and other expenses customarily incurred in connection with the issuance and sale of bonds.

The Designated Port Representative is authorized to ratify, execute, deliver and approve for purposes of the Rule, on behalf of the Port, the final official statement(s) (and to approve, deem final and deliver any preliminary official statement) and any supplement thereto relating to the issuance and sale of the Series 2024 Bonds and the distribution of the Series 2024 Bonds pursuant thereto with such changes, if any, as may be deemed by him/her to be appropriate.

Section 8. Application of Series 2024 Bond Proceeds.

(a) *Application of Project Bond Proceeds.* The proceeds of the Project Bonds (exclusive of the Underwriters' discount and any amounts that may be designated by the Designated Port Representative in a closing certificate to be allocated to pay costs of issuance or any Bond Insurance Policy premium and/or a Surety Bond premium) shall be applied as follows:

(1) An amount(s), if any, specified by the Designated Port Representative shall be deposited into one or more capitalized interest accounts (hereinafter authorized to be created);

(2) An amount specified by the Designated Port Representative as required to pay the Series 2024 Reserve Account Deposit shall be deposited into the Intermediate Lien Reserve Account; and

(3) An amount specified by the Designated Port Representative shall be deposited into one or more capital project accounts and used to pay costs of issuance and, together with other available moneys, to pay costs of the Projects.

If interest on the Project Bonds is to be capitalized, the Treasurer of the Port is hereby authorized and directed to create one or more capitalized interest accounts for the purpose of holding certain Project Bond proceeds and interest earnings thereon to be used and disbursed to pay interest on the Series 2024 Bonds through the date or dates specified by the Designated Port Representative.

The Treasurer shall invest the net proceeds of the Project Bonds in such obligations as may now or hereafter be permitted to port districts of the State of Washington by law and that will mature prior to the date on which such money shall be needed. Earnings on such investments, except as may be required to pay rebatable arbitrage pursuant to the Federal Tax Certificate, may be used for Port purposes or transferred to the Intermediate Lien Bond Fund for the uses and purposes therein provided.

The Port shall maintain books and records regarding the use and investment of proceeds of Series 2024 Bonds issued on a federally tax-exempt basis in order to maintain compliance with its obligations under its Federal Tax Certificate.

(b) *Application of Refunding Bond Proceeds.* The net proceeds of the Refunding Bonds (exclusive of the Underwriters' discount and any amounts that may be designated by the Designated Port Representative in a closing certificate to be allocated to pay costs of issuance or any Bond Insurance Policy premium and/or a Surety Bond premium, or to satisfy a portion of the Intermediate Lien Reserve Requirement), together with other available funds of the Port in the amount specified by the Designated Port Representative, shall be utilized immediately upon receipt thereof to pay and redeem the Refunded Bonds and/or shall be paid at the direction of the Treasurer to the Escrow Agent (if the Designated Port Representative has determined that an escrow is necessary or desirable to effect the defeasance of all or a portion of the Refunded Bonds).

(c) *Defeasance of Refunded Bonds.* Subject to and in accordance with the resolution authorizing the issuance of the Refunded Bonds, the net proceeds of the Refunding Bonds so deposited shall be utilized immediately upon receipt thereof to pay and redeem Refunded Bonds and/or to purchase the noncallable Government Obligations that are direct or indirect obligations of the United States or obligations unconditionally guaranteed by the United States specified by the Designated Port Representative (the “Acquired Obligations”) and to maintain such necessary beginning cash balance to defease the Refunded Bonds and to discharge the other obligations of the Port relating thereto under the resolution authorizing their issuance, by providing for the payment of the interest on the Refunded Bonds to the date fixed for redemption and the redemption price (the principal amount plus any premium required) on the date fixed for redemption of the Refunded Bonds. Subject to compliance with all conditions set forth in the resolution authorizing the issuance of the Refunded Bonds, when the final transfers have been made for the payment of such redemption price and interest on the Refunded Bonds, any balance then remaining shall be transferred to the account designated by the Port and used for the purposes specified by the Designated Port Representative.

(d) *Acquired Obligations.* The Acquired Obligations, if any, shall be payable in such amounts and at such times that, together with any necessary beginning cash balance, will be sufficient to provide for the payment of:

(1) the interest on the Refunded Bonds as such becomes due on and before the dates fixed for redemption of the Refunded Bonds; and

(2) the price of redemption of the Refunded Bonds on the date fixed for redemption of the Refunded Bonds.

(e) *Authorizing Appointment of Escrow Agent and Verification Agent.* The Commission hereby authorizes and directs the Designated Port Representative (if the Designated

Port Representative determines that an escrow would be necessary or desirable to effect the defeasance of all or a portion of the Refunded Bonds) to select a financial institution to act as the escrow agent for all or a portion of the Refunded Bonds and also to select a verification agent for some or all of the Refunded Bonds.

Section 9. Redemption of Refunded Bonds. The Commission hereby calls the callable Refunded Bonds for redemption on the redemption date specified by the Designated Port Representative in accordance with the provisions of the resolution authorizing the issuance, redemption and retirement of the Refunded Bonds, respectively, prior to their maturity dates.

The Designated Port Representative may cause to be disseminated a conditional notice of redemption prior to the closing and delivery of the Refunding Bonds and if a notice of redemption has been disseminated, such notice may be revoked at the option of the Designated Port Representative.

Said defeasance and call for redemption of the Refunded Bonds shall be irrevocable after the closing and delivery of the Refunding Bonds.

If so appointed, the Escrow Agent shall be authorized and directed to provide for the giving of irrevocable notice of the redemption of those Refunded Bonds designated in the Escrow Agreement in accordance with the terms of the resolution authorizing the issuance of such Refunded Bonds and as described in the Escrow Agreement. The Treasurer is authorized and directed to provide whatever assistance is necessary to accomplish such redemption and the giving of irrevocable notice therefor. The costs of mailing of such notice shall be an expense of the Port.

The Port or the Escrow Agent, if any, on behalf of the Port, shall be authorized and directed to pay to the fiscal agent of the State of Washington, sums sufficient to pay, when due, the payments specified in Section 8(d) of this series resolution. All such sums shall be paid from

the moneys and the Acquired Obligations pursuant to the previous section of this series resolution, and the income therefrom and proceeds thereof.

If an Escrow Agent is appointed, the Port will ascertain that all necessary and proper fees, compensation and expenses of the Escrow Agent for the Refunded Bonds shall be paid when due. If an Escrow Agent is appointed, the Designated Port Representative is authorized and directed to execute and deliver the Escrow Agreement to the Escrow Agent when the provisions thereof have been fixed and determined for closing and delivery of the Refunding Bonds. The Escrow Agreement, if any, shall be in form and substance satisfactory to the Designated Port Representative and the Escrow Agent, and may include a separate Costs of Issuance Agreement.

Section 10. Tax Covenants.

(a) *General.* The Port covenants that it will not take or permit to be taken on its behalf any action that would adversely affect the exclusion from gross income for federal income tax purposes of the interest on such Series 2024 Bonds issued on a federally tax-exempt basis, and will take or require to be taken such acts as may reasonably be within its ability and as may from time to time be required under applicable law to continue the exclusion from gross income for federal income tax purposes of the interest on such Series 2024 Bonds issued on a federally tax-exempt basis. The Port shall comply with its covenants set forth in the Federal Tax Certificate with respect to such Series 2024 Bonds issued on a federally tax-exempt basis.

(b) *No Bank Qualification.* The Series 2024 Bonds shall not be qualified tax-exempt obligations pursuant to Section 265(b) of the Code for investment by financial institutions.

Section 11. Lost, Stolen, Mutilated or Destroyed Series 2024 Bonds. In case any Series 2024 Bond shall be lost, stolen, mutilated or destroyed, the Registrar may execute and deliver a new Series 2024 Bond of like series, maturity, date, number and tenor to the Registered Owner thereof upon the owner's paying the expenses and charges of the Port in connection

therewith and upon his/her filing with the Port evidence satisfactory to the Port that such Series 2024 Bond was actually lost, stolen or destroyed (including the presentation of a mutilated Series 2024 Bond) and of his/her ownership thereof, and upon furnishing the Port and the Registrar with indemnity satisfactory to both.

Section 12. Form of Series 2024 Bonds and Registration Certificate. The Series 2024 Bonds shall be in substantially the following form:

[DTC HEADING]

NO. _____ UNITED STATES OF AMERICA \$ _____
STATE OF WASHINGTON
PORT OF SEATTLE
INTERMEDIATE LIEN REVENUE [AND] [REFUNDING] BOND,
SERIES 2024[A][B][C]
[(Non-AMT)][(Private Activity - AMT)][(Taxable)]

Maturity Date: _____, _____ CUSIP No. _____

Interest Rate:

Registered Owner: Cede & Co.

Principal Amount:

THE PORT OF SEATTLE, a municipal corporation organized and existing under and by virtue of the laws of the State of Washington (the "Port"), promises to pay to the Registered Owner identified above, or registered assigns, on the Maturity Date identified above, solely from the special fund of the Port known as the "Port of Seattle Revenue Intermediate Lien Bond Fund" (the "Intermediate Lien Bond Fund") created by Resolution No. 3540, as amended (the "Intermediate Lien Master Resolution" and together with Resolution No. 3826, hereinafter collectively referred to as the "Bond Resolution"), the Principal Amount indicated above and to pay interest thereon from the Intermediate Lien Bond Fund from the date of initial delivery, or the most recent date to which interest has been paid or duly provided for or until payment of this bond at the Interest Rate set forth above, payable semiannually on the first days of each _____ and _____ beginning on _____ 1, 20____. The principal of, premium, if any, and interest on this bond are payable in lawful money of the United States of America. Principal, premium, if any, and interest shall be paid as provided in the Blanket Issuer Letter of Representations (the "Letter of Representations") by the Port to The Depository Trust Company ("DTC") (or its successor or alternate depository) or other registered owner. Capitalized terms used in this bond which are not specifically defined have the meanings given such terms in the Bond Resolution. The Treasurer of the Port has appointed the fiscal agent for the State of Washington as the initial registrar, authenticating and paying agent for the bonds of this series.

This bond is one of a series of bonds of the Port in the aggregate principal amount of \$ _____, of like date, tenor and effect, except as to number, amount, rate of interest and date of maturity and is issued pursuant to the Bond Resolution to [pay costs of capital improvement projects][to defease and/or refund certain outstanding Port revenue bonds]. [Simultaneously herewith, the Port is issuing two other series of revenue bonds: its Intermediate Lien Revenue [and] [Refunding] Bonds, Series 2024[A][B][C] [(Non-AMT)] [(Private Activity - AMT)] [(Taxable)] in the principal amount of \$ _____], and Intermediate Lien Revenue [and] [Refunding] Bonds, Series 2024[A][B][C] [(Non-AMT)] [(Private Activity - AMT)] [(Taxable)], in the principal amount of \$[_____].

The bonds of this issue maturing on and after _____ 1, ____ shall be subject to optional redemption in advance of their scheduled maturity on and after _____ in whole or in part on any date at a price equal to 100% of the principal amount thereof plus accrued interest to the date fixed for redemption.

[The bonds of this issue maturing on _____ 1, ____ shall be redeemed by the Port on _____ 1 of the following years in the following principal amounts at a price equal to 100% of the principal amount thereof plus accrued interest to the date fixed for redemption:

Redemption Dates	Amounts
	\$

* Final Maturity]

[The bonds of this series are [not] private activity bonds.] The bonds of this series are not “qualified tax-exempt obligations” eligible for investment by financial institutions within the meaning of Section 265(b) of the Internal Revenue Code of 1986, as amended. [The Port has taken no action to cause the interest on this bond to be exempt from general federal income taxation.]

The Port hereby covenants and agrees with the owner and holder of this bond that it will keep and perform all the covenants of this bond and the Bond Resolution.

The Port does hereby pledge and bind itself to set aside and pay into the Intermediate Lien Bond Fund and Intermediate Lien Reserve Account from Available Intermediate Lien Revenues or money in the Revenue Fund the various amounts required by the Bond Resolution to be paid into and maintained in said Fund and Account, all within the times provided by said Bond Resolution.

The amounts pledged to be paid out of Gross Revenue into the Intermediate Lien Bond Fund and Intermediate Lien Reserve Account are hereby declared to be a first and prior lien and charge upon the Gross Revenue, subject to the payment of Operating Expenses of the Port and subject further to the liens thereon of the Permitted Prior Lien Bonds and equal in rank to the lien and charge upon such Gross Revenue of the amounts required to pay and secure the payment of any Net Payments due pursuant to any Parity Derivative Product, any Outstanding Intermediate Lien Parity Bonds and any revenue bonds of the Port hereafter issued on a parity with the Outstanding Intermediate Lien Parity Bonds and the bonds of this issue.

The Port has further bound itself to establish, maintain and collect rentals, tariffs, rates, fees, and charges in the operation of all of its businesses for as long as any bonds of this issue are outstanding that will make available, for the payment of the principal thereof and interest thereon as the same shall become due, Available Intermediate Lien Revenues in an amount equal to or greater than the Rate Covenant defined in the Intermediate Lien Master Resolution.

This bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Bond Resolution until the Certificate of Authentication hereon shall have been manually signed by or on behalf of the Registrar.

It is hereby certified and declared that this bond and the bonds of this issue are issued pursuant to and in strict compliance with the Constitution and laws of the State of Washington and resolutions of the Port and that all acts, conditions and things required to be done precedent to and in the issuance of this bond have happened, been done and performed.

IN WITNESS WHEREOF, the Port of Seattle has caused this bond to be executed by the manual or facsimile signatures of the President and Secretary of the Port Commission, and the corporate seal of the Port to be impressed or a facsimile thereof imprinted hereon as of the ____ day of _____, 2024.

PORT OF SEATTLE

By _____ /s/
President, Port Commission

ATTEST:
_____/s/
Secretary, Port Commission

CERTIFICATE OF AUTHENTICATION

Date of Authentication: _____

This bond is one of the bonds described in the within mentioned Bond Resolution and is one of the Intermediate Lien Revenue [and] [Refunding] Bonds, Series 2024[A][B][C] [(Non-AMT)] [(Private Activity - AMT)][(Taxable)] of the Port of Seattle, dated _____, 2024.

WASHINGTON STATE FISCAL AGENT, as
Registrar

By _____
Authorized Signer

* * * * *

In the event any Series 2024 Bonds are no longer in fully immobilized form, the form of such Series 2024 Bonds may be modified to conform to printing requirements and the terms of this series resolution.

Section 13. Execution. The Series 2024 Bonds shall be executed on behalf of the Port with the manual or facsimile signature of the President of its Commission, shall be attested by the manual or facsimile signature of the Secretary thereof and shall have the seal of the Port impressed or a facsimile thereof imprinted thereon.

Only such Series 2024 Bonds as shall bear thereon a Certificate of Authentication in the form hereinbefore recited, manually executed by the Registrar, shall be valid or obligatory for any purpose or entitled to the benefits of this series resolution. Such Certificate of Authentication shall be conclusive evidence that the Series 2024 Bonds so authenticated have been duly executed, authenticated and delivered hereunder and are entitled to the benefits of this series resolution.

In case either of the officers of the Port who shall have executed the Series 2024 Bonds shall cease to be such officer or officers of the Port before the Series 2024 Bonds so signed shall have been authenticated or delivered by the Registrar, or issued by the Port, such Series 2024 Bonds may nevertheless be authenticated, delivered and issued and upon such authentication, delivery and issuance, shall be as binding upon the Port as though those who signed the same had continued to be such officers of the Port. Any Series 2024 Bond may also be signed and attested on behalf of the Port by such persons as on the actual date of execution of such Series 2024 Bond shall be the proper officers of the Port although on the original date of such Series 2024 Bond any such person shall not have been such officer.

Section 14. Defeasance. In the event that money and/or noncallable Government Obligations that are direct obligations of the United States or obligations unconditionally

guaranteed by the United States maturing or having guaranteed redemption prices at the option of the owner at such time or times and bearing interest to be earned thereon in amounts (together with such money, if any) sufficient to redeem and retire part or all of the Series 2024 Bonds in accordance with their terms, are hereafter irrevocably delivered to the Registrar for payment such Series 2024 Bonds or set aside in a special account and pledged to effect such redemption and retirement, and, if the Series 2024 Bonds are to be redeemed prior to maturity, irrevocable notice, or irrevocable instructions to give notice of such redemption has been delivered to the Registrar, then no further payments need be made into the Intermediate Lien Bond Fund or any account therein for the payment of the principal of, premium, if any, and interest on the Series 2024 Bonds so provided for and such Series 2024 Bonds shall then cease to be entitled to any lien, benefit or security of the Intermediate Lien Master Resolution or this series resolution, except the right to receive the funds so set aside and pledged and such notices of redemption, if any, and such Series 2024 Bonds shall no longer be deemed to be outstanding hereunder, under the Intermediate Lien Master Resolution or under any resolution authorizing the issuance of bonds or other indebtedness of the Port.

The Port shall provide notice of defeasance of any Series 2024 Bonds to the Registered Owners of the Series 2024 Bonds being defeased, to the Bond Insurer, if any, and to each party entitled to receive notice under the Continuing Disclosure Undertaking authorized pursuant to Section 15 of this series resolution.

Section 15. Undertaking to Provide Ongoing Disclosure. The Designated Port Representative is authorized to, in his or her discretion, execute and deliver a Continuing Disclosure Undertaking providing for an undertaking by the Port to assist the Underwriters in complying with the Rule.

Section 16. Bond Insurance. The payments of the principal of and interest on one or more series, or principal maturities within one or more series, of the Series 2024 Bonds may be insured by the issuance of the Bond Insurance Policy. The Designated Port Representative may solicit proposals from municipal bond insurance companies, and the Designated Port Representative, in consultation with the Port's financial advisor, is hereby authorized to select the proposal that is deemed to be the most cost effective and further to execute the Bond Insurance Commitment with the Bond Insurer, which may include such covenants and conditions as shall be approved by the Designated Port Representative.

Section 17. Compliance with Parity Conditions. The Commission hereby finds and determines as required by Section 5(b) of the Intermediate Lien Master Resolution, as follows:

First: The Port is not in default of its covenant under Section 5 of the Intermediate Lien Master Resolution; and

Second: The Commission has been assured that prior to the issuance and delivery of the Series 2024 Bonds, the Port will meet the conditions set forth in Section 5(c) of the Intermediate Lien Master Resolution and/or will deliver either:

(A) a certificate prepared as provided in the Intermediate Lien Master Resolution and executed by the Designated Port Representative stating that Available Intermediate Lien Revenues as First Adjusted during the Base Period were at least equal to 110 percent of Annual Debt Service in each year of the Certificate Period with respect to all Intermediate Lien Parity Bonds then outstanding and then proposed to be issued; or

(B) a Consultant's certificate, prepared as provided in the Intermediate Lien Master Resolution and stating that projected Available Intermediate Lien Revenues as First Adjusted will be at least equal to 110 percent of Annual Debt Service in each

year of the Certificate Period with respect to all Intermediate Lien Parity Bonds then outstanding and then proposed to be issued.

The limitations contained in the conditions provided in Section 5(b) of the Intermediate Lien Master Resolution having been complied with, the payments required herein to be made out of the Available Intermediate Lien Revenues to pay and secure the payment of the principal of, premium, if any, and interest on the Series 2024 Bonds shall constitute a lien and charge upon such a charge and lien upon the Available Intermediate Lien Revenues equal to the lien thereon of Outstanding Intermediate Lien Parity Bonds.

Section 18. Resolution and Laws a Contract with the Series 2024 Bond Owners. This series resolution is adopted under the authority of and in full compliance with the Constitution and laws of the State of Washington. In consideration of the purchase and ownership of the Series 2024 Bonds, the provisions of this series resolution and of said laws shall constitute a contract with the owners of the Series 2024 Bonds, and the obligations of the Port and its Commission under said laws and under this series resolution shall be enforceable by any court of competent jurisdiction; and the covenants and agreements herein and in the Series 2024 Bonds set forth shall be for the equal benefit of the owners of the Series 2024 Bonds.

Section 19. Severability. If any one or more of the covenants or agreements provided in this series resolution to be performed on the part of the Port shall be declared by any court of competent jurisdiction to be contrary to law, then such covenant or covenants, agreement or agreements, shall be null and void and shall be deemed separable from the remaining covenants and agreements in this series resolution and shall in no way affect the validity of the other provisions of this series resolution or of any Intermediate Lien Parity Bonds.

Section 20. Effective Date. This series resolution shall be effective immediately upon its adoption.

ADOPTED by the Port Commission of the Port of Seattle at duly noticed meeting thereof, held this ____ day of _____, 2024, and duly authenticated in open session by the signatures of the Commissioners voting in favor thereof.

PORT OF SEATTLE

Commissioners

EXHIBIT A

REFUNDING CANDIDATES

**Port of Seattle Intermediate Lien Revenue Bonds, Series 2015A
(Non-AMT)⁽¹⁾**

<u>Maturity Dates (April 1)</u>	<u>Principal Amounts</u>	<u>Interest Rates</u>
2025*	\$ 795,000	4.00%
2025*	1,630,000	5.00
2026*	355,000	3.00
2026*	2,185,000	5.00
2027	2,670,000	5.00
2028	2,805,000	5.00
2029	2,950,000	5.00
2030	3,100,000	5.00
2031	3,260,000	5.00
2032	3,425,000	5.00
2033	3,605,000	5.00
2034	3,790,000	5.00
2035	3,980,000	5.00
2040	23,190,000	5.00

* Bifurcated Maturity.

**Port of Seattle Intermediate Lien Revenue Refunding Bonds, Series 2015B
(Non-AMT)⁽²⁾**

<u>Maturity Dates (March 1)</u>	<u>Principal Amounts</u>	<u>Interest Rates</u>
2025	\$ 9,055,000	5.00%
2026	9,525,000	5.00
2027	10,005,000	5.00
2028	10,520,000	5.00
2029	11,060,000	5.00
2030	11,630,000	5.00
2031	12,230,000	5.00
2032	12,850,000	5.00
2033	13,515,000	5.00
2034	14,205,000	5.00
2035	14,940,000	5.00

Port of Seattle Intermediate Lien Revenue Refunding Bonds, Series 2013 (AMT) ⁽³⁾

Maturity Dates (July 1)	Principal Amounts	Interest Rates
2025	\$ 15,460,000	5.00%
2026	16,230,000	5.00
2027	17,045,000	5.00
2028*	5,000,000	4.50
2028*	12,895,000	5.00
2029	18,435,000	5.00

* Bifurcated maturity.

⁽¹⁾ Callable at any time on and after October 1, 2024, in whole or in part on any date, with maturities to be selected by the Port, at a redemption price equal to 100% of the principal amount thereof, plus interest accrued to the date fixed for redemption.

⁽²⁾ Callable at any time on and after September 1, 2024, in whole or in part on any date, with maturities to be selected by the Port, at a redemption price equal to 100% of the principal amount thereof, plus interest accrued to the date fixed for redemption.

⁽³⁾ Callable at any time on and after July 1, 2023, as a whole or in part on any date, with maturities to be selected by the Port, at a redemption price equal to 100% of the principal amount thereof, plus interest accrued to the date fixed for redemption.

EXHIBIT B
PROJECTS

Runway, apron and safety areas construction, repairs and improvements; airfield infrastructure construction, repairs and upgrades; noise mitigation; Airport Terminal and parking garage construction, modification, repairs, improvements including equipment acquisition; roadway and ground transportation improvements; airport support systems and services improvements; planning work relating to future facilities on or near the Airport; property acquisitions for Airport expansion adjacent or near to the Airport and other airport improvements that are functionally related to the airfield, air terminal and Airport property improvements described above at Seattle-Tacoma International Airport, 17801 Pacific Highway South, Seatac, WA 98158, which is owned and operated by the Port.

CERTIFICATE

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

1. That the attached resolution numbered 3826 (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 June, 2024, 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 June, 2024.

Secretary

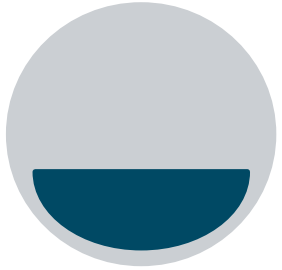
Intermediate Lien Revenue & Refunding Bonds Series 2024

June 11, 2024

Introduction of Resolution No. 3826

- Sale and Issuance of Intermediate Lien Revenue & Refunding Bonds
 - Fund Airport capital investments
 - Refund outstanding debt for savings
- Draft Plan of Finance anticipates the use of new revenue bonds to fund \$3.6 billion of Airport capital investments from 2024-2028
 - 2024 Revenue Bonds to provide partial funding
- 2024 bonds issued in multiple series based on federal tax status:
 - Governmental Bonds – no income tax for investors
 - Private Activity Bonds – no regular tax, but subject to Alternative Minimum Tax (AMT)
 - Taxable Bonds (if needed) – investors subject to regular federal income tax

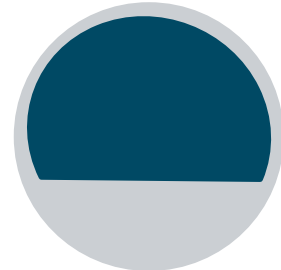
Purpose of the Bonds



Refund for Savings

~\$272 million ⁽¹⁾

- Refund outstanding revenue bonds issued in 2013 and 2015
- Current estimate of NPV savings on the refunding is ~\$9.2 million



Funding for Capital Projects

~\$535 million ⁽¹⁾

- Partial funding of Airport CIP, as outlined in the Draft Plan of Finance
- Revenue bonds are the primary funding source for Airport capital investments

(1) estimate

Fund Airport Capital Investments

Projects include:

- SEA Gateway Project
- C Concourse Expansion
- S Concourse Evolution
- Continuation of Baggage Handling System Optimization and Airfield Pavement Replacement
- A Concourse Expansion
- MT Low Voltage System Upgrade

Some flexibility to redirect bond proceeds to other Airport capital projects, subject to meeting project eligibility requirements (federal tax)

Actual spending on projects is subject to appropriate authorization



Resolution No. 3826

- Similar in all material respect to other Intermediate Lien resolutions
 - Pursuant to Intermediate Lien Master Resolution
 - Provides approval delegation to Executive Director, Deputy Executive Director or Chief Financial Officer
- Bonds will be sold by Port underwriting team led by Bank of America
- Delegation Limits:
 - Maximum Par Amount: \$850 million
 - Maximum Interest Rates:
 - 6.0% - Tax Exempt Bonds
 - 7.0% - Taxable Bonds (if needed)
 - Bond sale must occur by June 25, 2025
 - Exceeding limits requires further authorization
- Provides funding for
 - Bond issuance costs
 - Capitalized interest during construction
 - Contribution to the debt service reserve

Next Steps

- Meetings with credit rating agencies June 24-25th
- Adoption of Resolution No. 3826 scheduled for June 25th
- Bond sale scheduled for August 1st

[RETURN TO AGENDA](#)

ORDER NO. 2024-08

AN ORDER OF THE PORT OF SEATTLE COMMISSION

...setting an accelerated timeline for all cruise ships to utilize shore power at all Port facilities by 2027.

**PROPOSED
JUNE 11, 2024**

INTRODUCTION

Founded in 1911 by a vote of the people as a special purpose government, the Port of Seattle's mission is 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.

The Port of Seattle's diverse lines of business include one of the nation's fastest growing airports, the homeport for the North Pacific fishing fleet, cruise operations in Alaska, a unique agreement with the Port of Tacoma for marine cargo operations known as the Northwest Seaport Alliance, as well as real estate and other Economic Development programs within King County. The importance of cruise operations to the Port's maritime division has increased significantly since the first cruise ship called on Pier 66 in 2000.

In the year 2000, the first full year in cruise, the Port had about 120,000 revenue passengers and 36 cruise calls. In 2024, the Port is anticipating 275 cruise calls, 1.7 million revenue passengers, resulting in an estimated \$900 million dollars in economic impact to the region. In 2025, the Port of Seattle will welcome nearly 1.8 million revenue passengers and receive over 300 cruise calls, continuing a strong growth trend in the Seattle market. While the growth of this industry will continue to provide significant economic benefits to the region, without adoption of zero and low carbon energy alternatives it will also lead to an increase in diesel particulate matter (DPM) and greenhouse gas emissions (GHG) impacting human health and the climate.

Reducing air pollution and GHG emissions are key to achieving the Port's Century Agenda goal of being the "greenest Port in North America." Increasing cruise ships' use of shore power is essential to meet those goals because cruise ships are by far the largest source of the Port's maritime-related air and GHG scope three emissions.

Plugging into shore power can reduce diesel emissions from cruise ships at berth by 80 percent and GHG emissions at berth by 66 percent, on average, using Seattle City Light energy sourced primarily from hydropower. Shore power use over the 2023 season avoided 2,700 metric tons of GHG and 0.75 metric tons of DPM with 35 percent of all cruise calls plugging in. That's equivalent to nearly 650 passenger cars driving for a year.

In 2005 the Port of Seattle, through investments by Carnival Corporation, became the first homeport in North America to offer shore power at two berths. Carnival and other cruise brands continue to utilize those infrastructure investments, with 66 percent of cruise calls equipped to plug in. However, in 2023, only 35 percent of all cruise calls used shore power. The Port's installation this summer of shore power at Pier 66 and mobile plug in at Pier 91 will make shore power available at all three of its cruise berths by 2025, which will result in an increase in the utilization rate by all ships.

The Port of Seattle has set a goal in its Maritime Climate and Air Action Plan, to have 100 percent of homeported cruise ships utilizing shore power on every call by 2030. The Port of Seattle Commission is directing the Executive to create an enforceable mandate to accelerate this goal to 2027. This policy direction will emphasize the importance of adhering to data, achieving GHG and DPM emissions reduction, and ensuring accountability. The Order will require that only cruise ships equipped to utilize shore power will be able to be homeported at the Port of Seattle and must work to achieve 100 percent shore power utilization.

TEXT OF THE ORDER

The Executive Director shall ensure that 100 percent of all homeported cruise vessels are shore power capable and plug into shore power at the start of the 2027 cruise season, with limited exceptions such as equipment maintenance and outages.

The mechanisms for achieving an enforceable mandate of 100 percent shore power usage by 2027 shall be approved by the Commission, per the delegation of authority. The shore power requirement shall be in all new or revised long-term berthing agreements, tariffs, leases, renewals, and extensions with homeported cruise lines. The executive shall also identify, in the 2025 budget, any infrastructure improvements needed for the cruise lines to comply with the shore power requirement.

All homeported cruise vessels subject to the shore power mandate shall notify the Port of the duration of shore power usage following each ship call. If shore power is not utilized, cruise lines shall provide written explanation to the Port with the understanding that unavoidable challenges may occur. Repeated unsubstantiated explanations for failure to utilize shore power is viewed as non-compliance with the agreements and may be considered grounds for termination of the agreement.

STATEMENT IN SUPPORT OF THE ORDER

The climate crisis is impacting communities and wildlife throughout the Pacific Northwest. Communities face the impact of rising sea levels, temperatures, and are facing the health impacts of human driven emissions from industries. And many species of fish, birds, and mammals, including iconic orca and salmon populations, inhabiting the Salish sea are further imperiled due to climate change.

The requirement for cruise lines to use shore power is one way the Port of Seattle is able reduce impacts to communities and the climate. Cruise ships who use shore power not only reduce the air pollution and GHG emissions, but also reduce the need for exhaust gas cleaning systems or low sulfur fuel at-berth.

The Port of Seattle’s Century Agenda goal number four is to be the greenest and most energy-efficient port in North America. Expediting the 2030 goal to have 100 percent of home port cruise ships connected on every call by 2027 aligns with this Century Agenda goal. This order will accelerate the pace as the Port reduces its largest source of maritime-related air and climate emissions.

RETURN TO AGENDA



**COMMISSION
AGENDA MEMORANDUM**

Item No. 11a

BRIEFING ITEM

Date of Meeting June 11, 2024

DATE: May 24, 2024

TO: Stephen P. Metruck, Executive Director

FROM: Sandra Kilroy, Senior Director, Environment and Sustainability
Mallory Hauser, Sustainability Reporting and Communications Manager

SUBJECT: 2023 Environment and Sustainability Annual Report

EXECUTIVE SUMMARY

This year, the Port of Seattle achieved significant progress on our ambitious environmental and sustainability goals. We're building a greener, more resilient port through a comprehensive strategy focused on five key pillars:

- (1) **Leadership:** Influencing environmental policy and actions locally, nationally, and internationally.
- (2) **Partnerships:** Collaborating with stakeholders to tackle complex challenges.
- (3) **Data-Driven Decisions:** Utilizing clear information to guide our actions.
- (4) **Investment:** Directing resources toward sustainable practices.
- (5) **Community Engagement and Equity:** Working closely with our neighbors to ensure a just and sustainable future.

As an organization focused on opportunity, sustainability, and equity, we achieve this by working collaboratively with others who share our vision.

Several factors influence how we approach sustainability. Environmental challenges are becoming increasingly complex which demand innovative solutions. It is critical to engage our communities and focus on environmental justice. Partnerships are crucial for tackling these challenges. Climate change requires urgent action.

These drivers inform our overall strategy, which emphasizes leadership, partnerships, data-driven decision making, investments, environmental justice, and community engagement. The Port boasts a comprehensive set of environmental and sustainability initiatives across air, water, land, and community. We work to influence change locally and globally, establishing ourselves as a leader for the entire aviation and maritime sectors. We recognize our work contributes to

Meeting Date: June 11, 2024

global change and our strategies support progress toward achieving the United Nations Sustainable Development Goals.

This annual report presentation serves a dual purpose:

- (1) **Celebrating Achievements:** We'll showcase our comprehensive environmental and sustainability programs, highlighting significant accomplishments made in 2023.
- (2) **Tracking Long-Term Goals:** We've documented progress towards long-term goals through a set of performance metrics (both qualitative and quantitative). These metrics, tracked annually, demonstrate our commitment towards goals outlined in the Century Agenda, regional agreements, and our own programmatic initiatives. Starting this year, a formal annual report detailing our progress will be available on the Port's website.

This report highlights some of our accomplishments, but it's not exhaustive. Sustainability is a collaborative effort, and we're grateful for the contributions of our Port leadership, teams, tenants, and community partners. We remain committed to driving positive change throughout the maritime and aviation sectors, ensuring a healthy environment for all.

BACKGROUND

The Port of Seattle's employees are a powerhouse of expertise. Teams work together to develop and maintain programs tackling critical issues like decarbonization, habitat restoration, remediation, water quality, waste reduction, noise reduction and sustainable infrastructure.

This commitment is reflected in the Port's ambitious goals outlined in the Century Agenda, a 25-year strategic plan adopted in 2012. The Century Agenda serves as a compass, guiding decision-making and setting a clear course for a greener future. Notably, Goal 4 focuses on environmental leadership, with the Port aiming to become the greenest and most energy-efficient port in North America.

Century Agenda 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
- Objective 11: Reduce air pollutants and carbon emissions
- Objective 12: Restore, create, and enhance 40 additional acres of habitat in the Green/Duwamish habitat

KEY ACCOMPLISHMENTS

Outlined in the 2023 annual environment and sustainability report are eleven key areas with quantitative and qualitative data points demonstrating our progress toward environment and sustainability goals.

Category	Summary	2023 Highlights
<p>Charting the Course to Zero (Climate)</p>	<p>The Port of Seattle takes a multi-pronged approach to tackling climate change and improving air quality. Decarbonization is a core focus, with initiatives like switching to renewable natural gas for buildings and partnering on clean fuel research for maritime and aviation industries. The Port actively explores alternatives to traditional fossil fuels, aiming to reduce reliance on them across its operations. Additionally, electrification is a key strategy. The Port is constantly seeking innovative solutions to minimize air pollution and contribute to a cleaner future.</p>	<p>We achieved a 50% reduction in Port-wide Scope 1&2 GHG emissions from the 2005 baseline -- - meeting our 2030 goal seven years early thanks to the purchase of renewable natural gas for both our aviation and maritime facilities.</p> <p>Signed Pacific Northwest to Alaska Green Corridor project charter and developed scope for green methanol feasibility study.</p> <p>Completed the MSW to SAF study with King County.</p>
<p>Stewarding Healthy Lands and Habitat</p>	<p>The Port is voluntarily taking action to restore critical habitat and increase public access for our communities. we are creating a lasting legacy of stewardship that fosters the health of our communities and region for generations to come. Our work supports the survival and recovery of critical species like salmon and orcas, while also enhancing the health of our communities through improved environmental quality and enriching recreational opportunities like waterfront parks, inland creeks, and marinas.</p>	<p>We formalized land management practices through the adoption of Land Stewardship Principles.</p> <p>Over 2,500 chum and chinook salmon returned to the Duwamish River's Peoples Park, a testament to our restoration efforts.</p> <p>We've also restored kelp beds, stabilized shoreline, and planted over 13,000 trees and shrubs.</p>
<p>Cleaning Up Contaminated Lands</p>	<p>The Port of Seattle transforms historically polluted areas into healthy lands near our airport and waterfront, fostering economic growth and environmental stewardship.</p>	<p>Significant progress was made with investigations at seven terminals and Port locations, including East Waterway, Terminal 25, and Terminal 91. SEA Airport’s former United-Continental Fuel Farm Site clean-up was completed.</p>
<p>Reducing Waste</p>	<p>Operating a major airport and seaport means there can be a lot of</p>	<p>We are close to our 60% diversion goal for SEA Airport terminals</p>

	<p>waste. The airport alone is a 24/7 operation that serves over 50 million passengers a year and has 20,000 employees who work there. It is akin to managing a city, including the need to manage all the waste. The Port actively works to embrace the call to “reduce, reuse and recycle” in all our facilities.</p>	<p>(48%) and maritime facilities (56.5%).</p> <p>New SEA requirements mandate reusable or compostable options at all retail and dining locations, taking effect in July 2024.</p> <p>We've further bolstered our waste reduction efforts by implementing AI-powered waste sorting machines.</p>
<p>Building Resilient and Sustainable Infrastructure</p>	<p>Building infrastructure that is sustainable and resilient in the long term is important for financial stewardship, community affects, and environmental protection. We need to stop the causes of climate change while at the same time we can control and prepare for the possible impacts. The Port of Seattle aims to build and maintain its facilities in a smart, sustainable way to ensure they function for our community well into the future.</p>	<p>Efficiently handled environmental reviews and permits, supporting 266 active maritime and aviation projects in 2023.</p> <p>Through the Sustainable Evaluation Framework process, we reviewed 140 capital projects, resulting in three completed sustainable design strategies.</p>
<p>Protecting Water Quality</p>	<p>Port of Seattle implements programs and processes, collaborates with our tenants, and invests in innovative treatment technologies to ensure we avoid or minimize any effects on the health of Puget Sound and foster a clean and vibrant marine environment.</p>	<p>We protected water quality through stormwater management and met all permit requirements in 2023. SEA Airport retained its Salmon-Safe certification, and we made significant progress (33%) toward our 75% target for rehabilitating our maritime stormwater system.</p>
<p>Lessening the Impact of Aircraft Noise</p>	<p>Seattle-Tacoma International Airport (SEA) was one of the first airports in the country to establish a noise mitigation program. Since 1985 the Port has been delivering a comprehensive Airport Noise Program to minimize noise pollution around the airport. The program has three main components: residential</p>	<p>Completed or made progress in insulating 8 single-family homes, 320 apartment units, 3 places of worship, and the final 3 units in a condominium complex. Additionally, we partnered with the FAA and a local school district to upgrade schools for noise</p>

	<p>sound insulation projects, airline collaboration and recognition, and community engagement.</p>	<p>reduction, with the 11th school receiving voter approval in 2023.</p>
<p>Engaging Our Community</p>	<p>Recognizing that a healthy environment is vital for both the port and surrounding communities, the Port of Seattle prioritizes collaborative environmental stewardship. Through education and outreach programs, the Port empowers near-port residents and regional communities to participate in decision-making and advocate for environmental well-being. This commitment to community engagement fosters trust, empowers informed decision-making, and harnesses the power of collective action for a more sustainable future.</p>	<p>We hosted or participated in over 60 community stewardship events and learning opportunities, including Duwamish Alive!, NWSA Truck and Bike Safety Fair, and StormFest.</p>
<p>Practicing Equity, Diversity, and Inclusion</p>	<p>The Port actively advances Equity, Diversity, and Inclusion (EDI) through its environmental programs. This includes prioritizing business inclusion programs that empower diverse-owned businesses, fostering green job creation, and providing a pathway to economic opportunity for residents, with a particular focus on under-represented communities. Additionally, the Port champions environmental justice initiatives that address historical disparities in environmental burdens.</p>	<p>Supported strong WMBE contracting goal. Created an environmental justice manager. Awarded \$150,000 in environmental grants. Utilized the equity index in environmental program planning.</p>
<p>Awards and Recognition</p>	<p>Throughout the year, we've strived to implement innovative solutions and collaborate with stakeholders to achieve our sustainability goals. These awards and acknowledgements represent the dedication and hard work of our team and partners, and further</p>	<p>We participate in Green Marine, a program for continuous improvement in environmental performance within the maritime industry, ranking 5 (the highest score) in nearly all categories.</p>

Meeting Date: June 11, 2024

	motivate us to continue on the path of environmental stewardship and community engagement.	The Duwamish River People’s Park and Habitat and Shoreline Habitat was a finalist for the IAPH Sustainability Award in the environmental care category.
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ATTACHMENTS TO THIS BRIEFING

- (1) Presentation slides

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

None

ENVIRONMENT & SUSTAINABILITY 2023 ANNUAL REPORT

Sandra Kilroy, Sr. Director, Environment and Sustainability
Sarah Cox, Director, Aviation Environment and Sustainability
Sarah Ogier, Director, Maritime Environment and Sustainability
Mallory Hauser, Manager, Environment Communications and Reporting

June 11, 2024

Port of Seattle Environment & Sustainability

**BOLD
TANGIBLE PROGRESS
PARTNERSHIPS
EQUITY
STEWARDSHIP
OPPORTUNITY**

Building a Green and Resilient Port

1. Build Port's influence in state, national and international environmental policy.
2. Reduce emissions, waste and other environmental effects from Port operations.
3. Establish Port as a premier regional agency to attract clean fuels for maritime and aviation.
4. Continue leading edge programs to steward our land and water resources, remediate contaminated properties and manage stormwater systems and runoff to protect water quality.
5. Deliver permitting and regulatory compliance to ensure sustainable and resilient port operations and infrastructure.
6. Engage communities and increase partnerships with stakeholders.

Drivers and Trends

- **Complexity:** Solving environmental issues is getting increasingly more complex
- **Information:** Technology creates expectation information is quickly available
- **Engagement:** Engaging communities and a focus on environmental justice is critical for how we do business
- **Partnerships:** Complexity drives the need for leveraging more partnerships
- **Urgency:** Climate change demands action

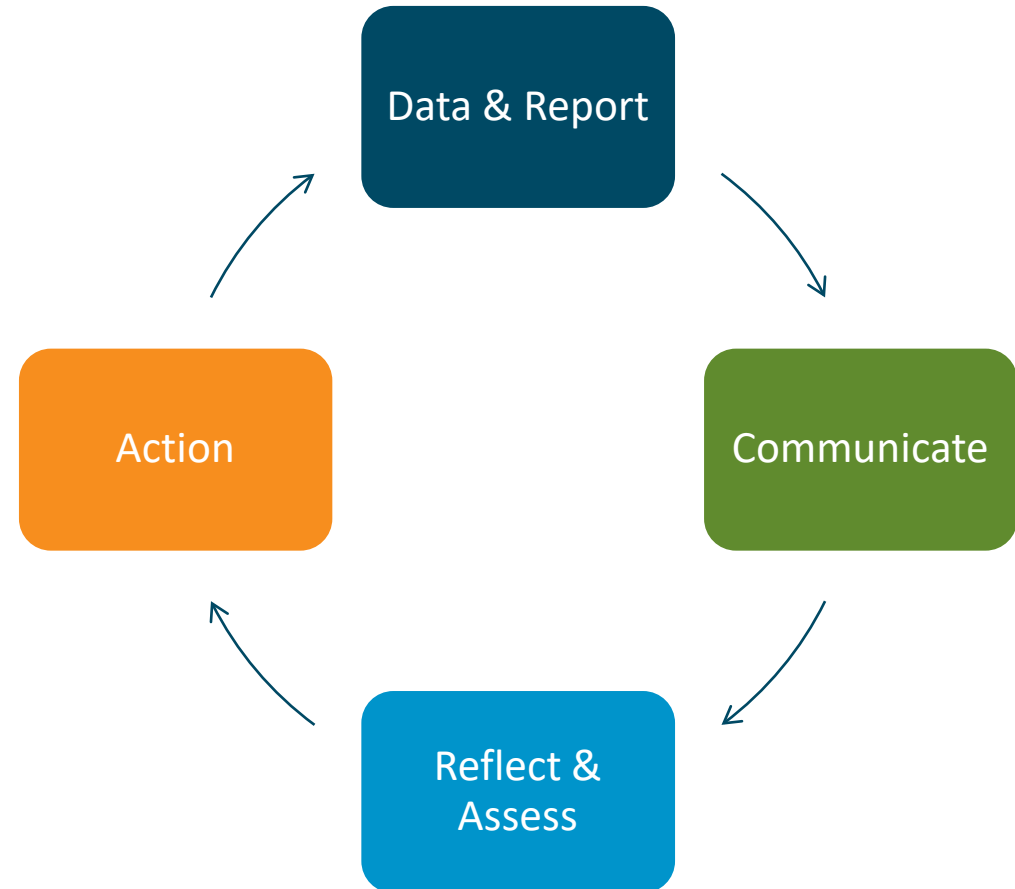


2023



Today's Presentation

- Highlighting 2023 Accomplishments and Progress
- Tracking Long-Term Goals and Reporting



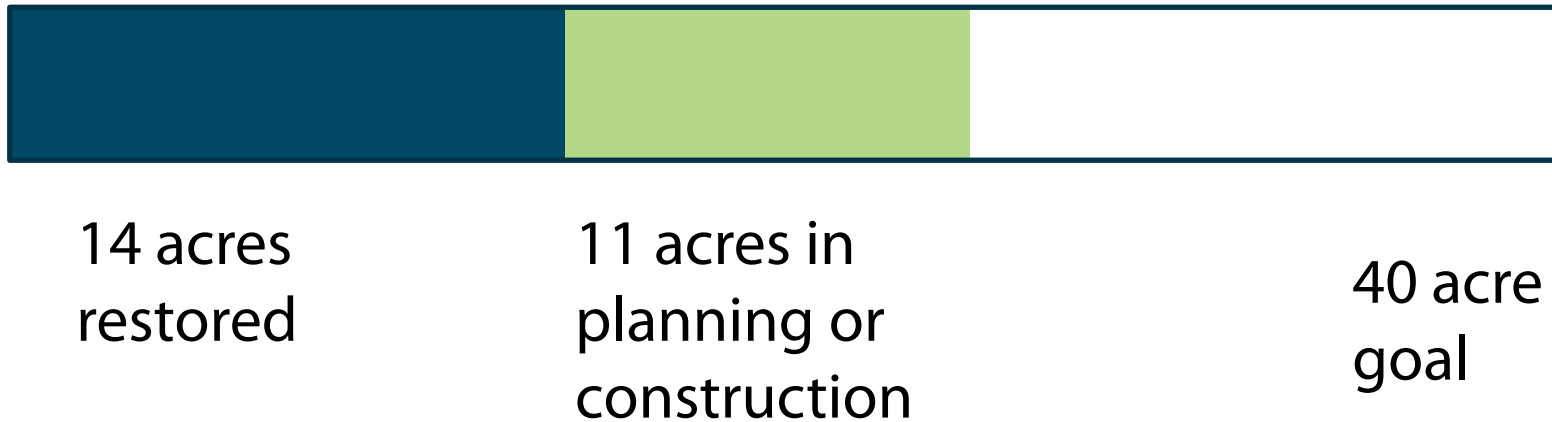
Categories

1. Healthy Lands and Habitat
2. Cleaning Up Contaminated Sites
3. Protecting Water Quality
4. Reducing Waste
5. Charting the Course to Zero
6. Building Resilient and Sustainable Infrastructure
7. Lessening the Impact of Aircraft Noise
8. Practicing Equity, Diversity, and Inclusion
9. Engaging the Community



Stewarding Healthy Lands

By 2040, the Port will restore, create, and enhance 40 acres of habitat in the Green/Duwamish Watershed.
(Century Agenda Objective 12)



Stewarding Healthy Lands



- **2,500+** chum and chinook salmon monitored at DRPP
- **1st** Land Stewardship Principles adopted
- SEA Land Stewardship Plan community comment period
- **13,000+** trees and shrubs planted
- **2,095** sq. feet Sustainable Shoreline progress
- **71%** large commercial vessels, **85%** cruise line Quiet Sound participation – preliminary results from 2023-2024 slow down
- Miller Creek restoration, in partnership with Burien and SeaTac
- Kelp research in partnership Seattle Aquarium

Cleaning Up Contaminated Sites



- **9** Maritime Locations in Progress
- United-Continental Fuel Farm Cleanup
- PFAS Planning and Preparation
- Over **\$6 million** in cost recovery

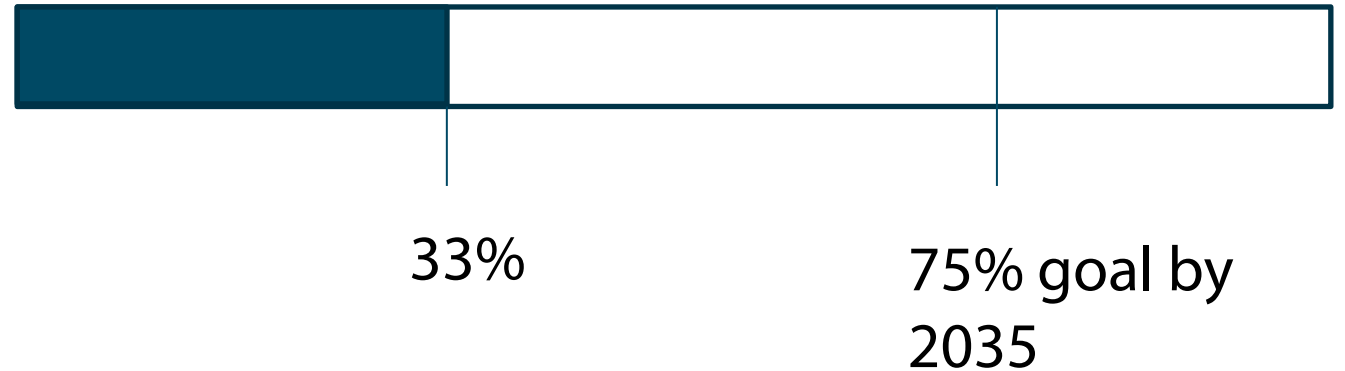


Protecting Water Quality

**Met all stormwater
and wastewater
permit requirements**

(Century Agenda Objective 10)

Maritime stormwater system rehabilitation



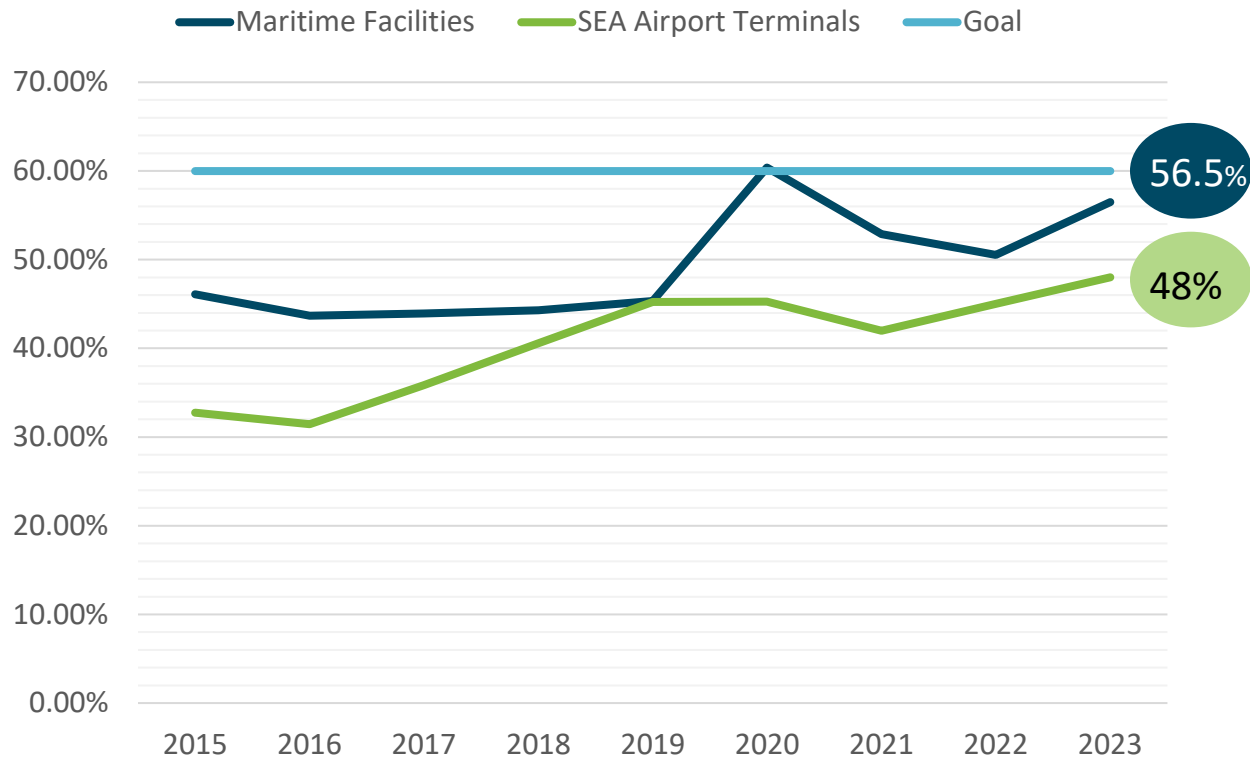
Protecting Water Quality



- Oyster shell refresh in four bioretention swales at SEA airport
- Salmon-Safe certification
- SEA airport industrial wastewater system key approvals
- **13** custody actions started for derelict vessels
- Efficient spill response

Reducing Waste

Facility Waste Diversion (60% goal)



Construction Waste Diversion (90% goal)

99.8% diverted from SEA Airport capital projects

99% diverted from maritime projects

Reducing Waste



- **34,836** meals donated to local food banks
- **79 tons (18,970 gallons!)** of cooking oil recycled into renewable diesel and SAF
- **86,000** lbs of net, Alaskan ghost gear recycling at T91
- New SEA requirements mandate reusable or compostable options at all retail and dining locations, taking effect in July 2024
- New AI waste-sorting machines

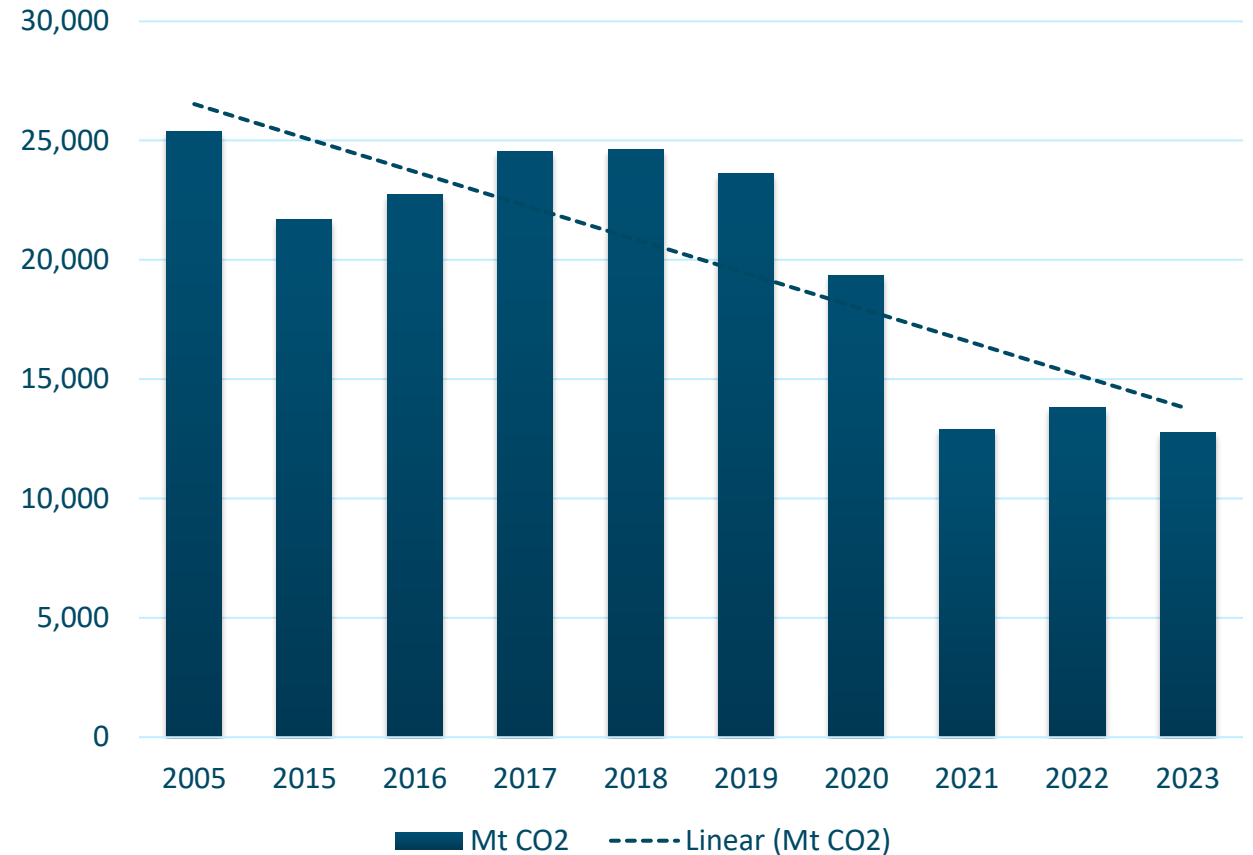


Charting the Course to Zero

Scope 1 & 2 (Port-controlled GHG emissions)

- **50%** reduction from baseline
*Seven years ahead of 2030 goal!
RNG purchase primary driver*
- **7%** reduction from 2022
- **48%** reduction at SEA Airport from baseline
*(overall higher usage due to International Arrivals
Facility and back-up generator fuel)*
- **65%** reduction at Maritime facilities from baseline, 100% decrease in fossil natural gas emissions

Port-wide Scope 1 & 2 Emissions



Charting the Course to Zero

Electricity Use

- **96%** of electricity from zero carbon sources (hydro, solar, wind, etc.)

Building Energy

- **48%** of building energy use from fossil natural gas
- **52%** of building energy use from renewable natural gas

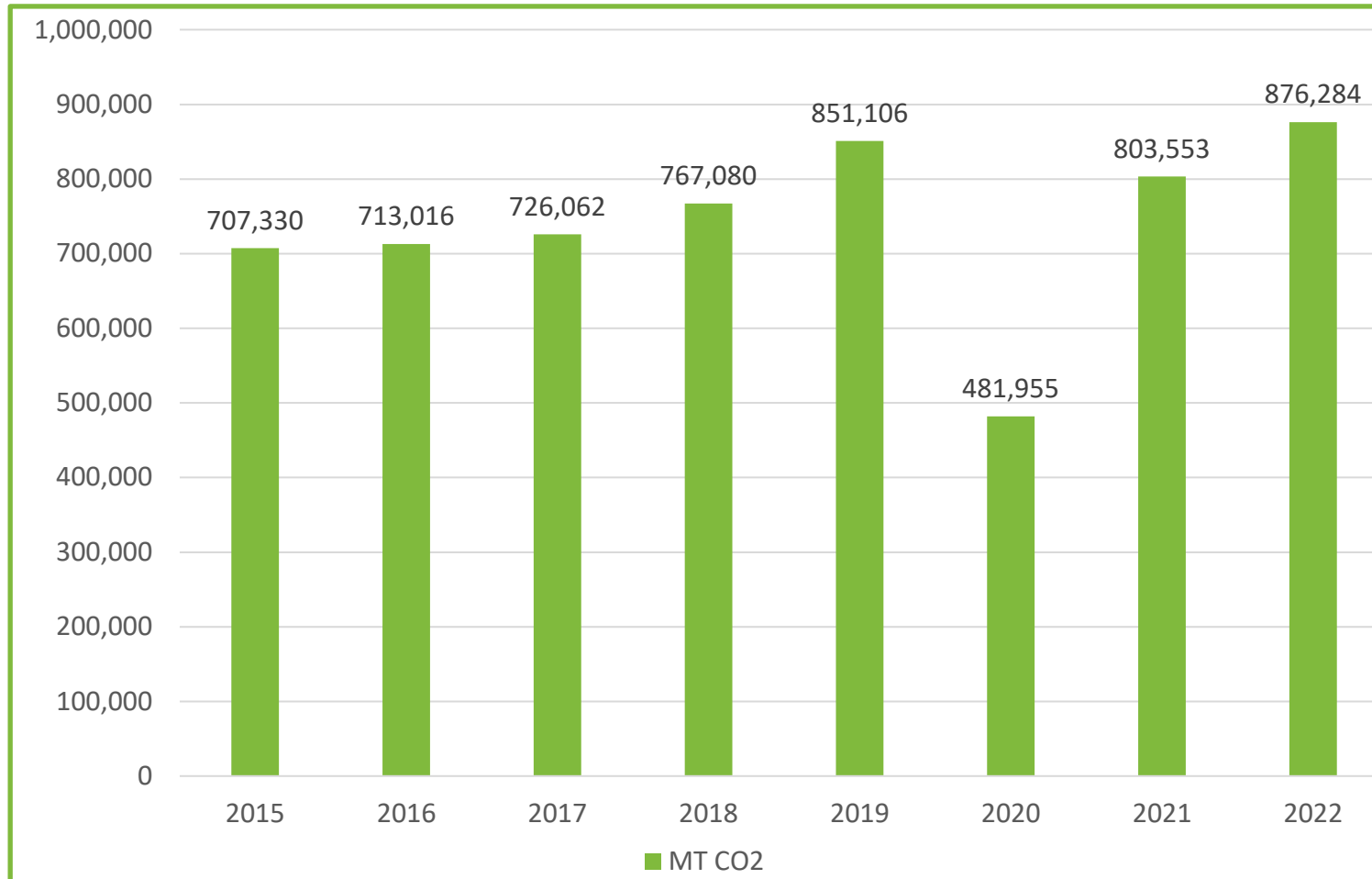
Fleet Transition

- **74%** of fleet fuels from renewable sources (non-electric)
- **9%** (maritime) and **4%** (aviation) of light-duty fleet are electric
- Completed EV charging studies
- Received \$800K grant for two EV Forklifts at Terminal 91



Charting the Course to Zero

Scope 3: Aviation

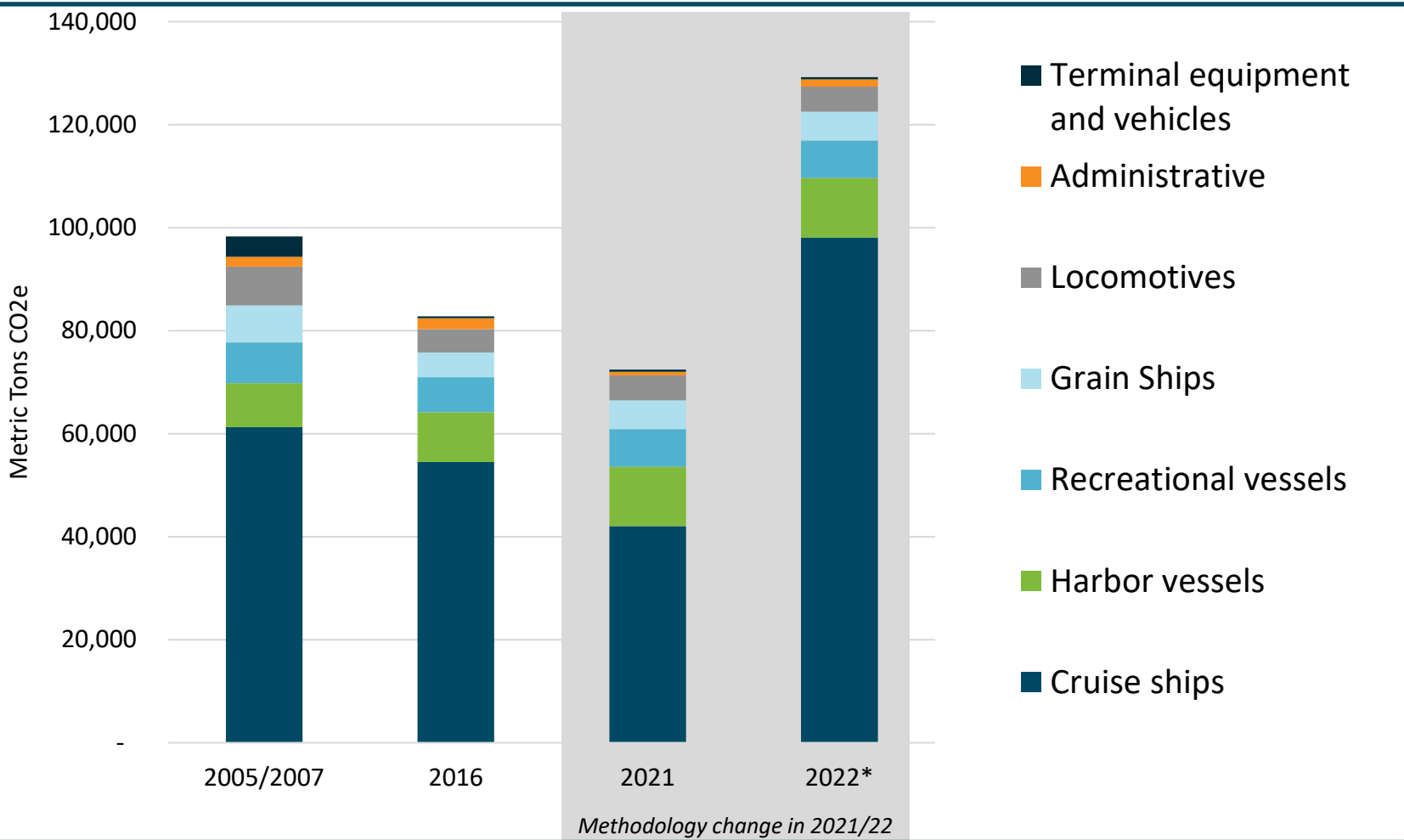


Charting the Course to Zero

Scope 3: Aviation Emission Reduction Actions

- **42%** of aircraft operations connected to preconditioned air. Completed preconditioned air system assessment
- Completed Municipal Solid Waste-to-Sustainable Aviation Fuel study with King County
- Completed mode-choice model to evaluate carbon benefits of passenger ground transportation strategies
- Completed draft Ground Transportation Emission Reduction Strategy

Charting the Course to Zero



Scope 3: Maritime



Shore Power:

- **102 (35%)** connections out of 291 total calls
- Avoided **2,700+** metric tons GHG

Data source: 2021 Puget Sound Emissions Inventory; 2005 Puget Sound Emission Inventory data used as proxy for 2007 Scope 3 GHG baseline

*2022 includes 2022 Cruise Ship and Administrative GHG data and 2021 for all other sources.

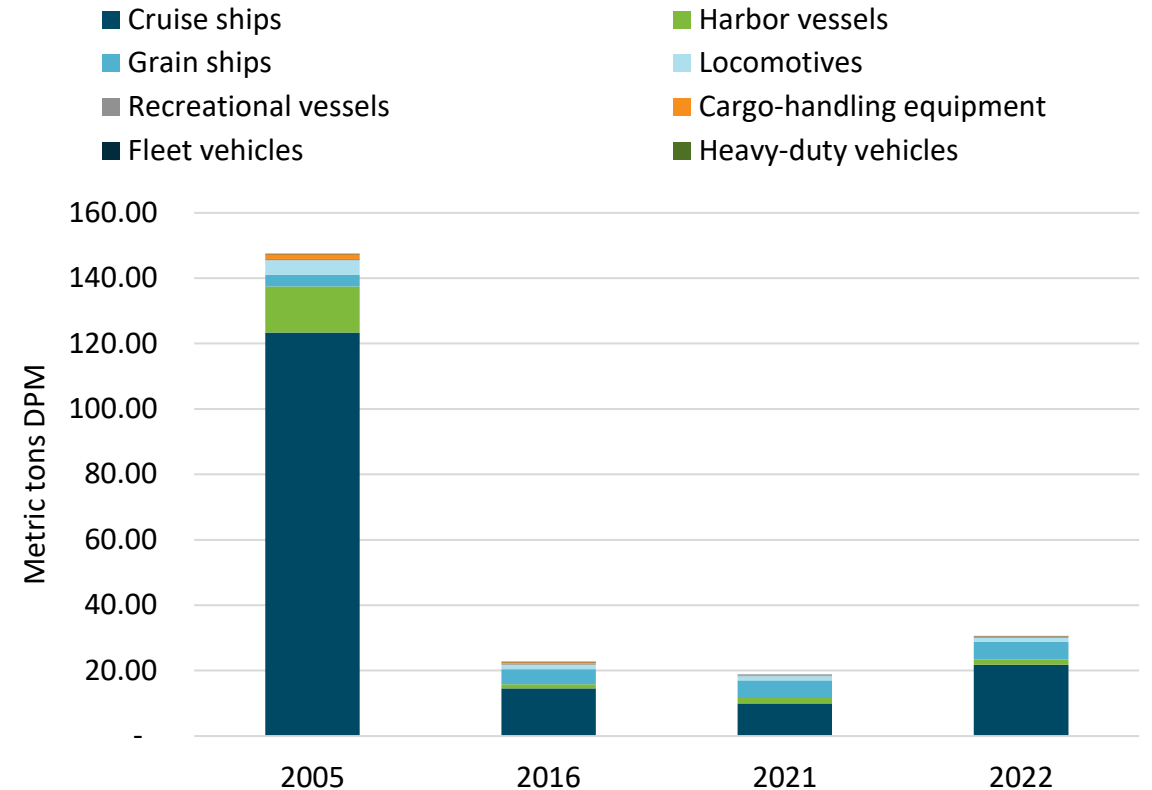
*Emissions estimating methodology change in 2021/2022 may impact trend compared to earlier Inventory years.

Charting the Course to Zero

Maritime Emission Reduction Actions:

- Signed Pacific Northwest to Alaska Green Corridor project charter and developed scope for green methanol feasibility study
- Completed year one of the Hydrogen Storage Risk Assessment
- Initiated Sustainable Maritime Fuels Collaborative
- Launched a PNW Sustainable Maritime Fuels Roadmap Study
- Pier 66 Shore Power underwater cable delivered; anticipated complete mid-2024

79% reduction in Diesel Particulate Matter (DPM) since 2005



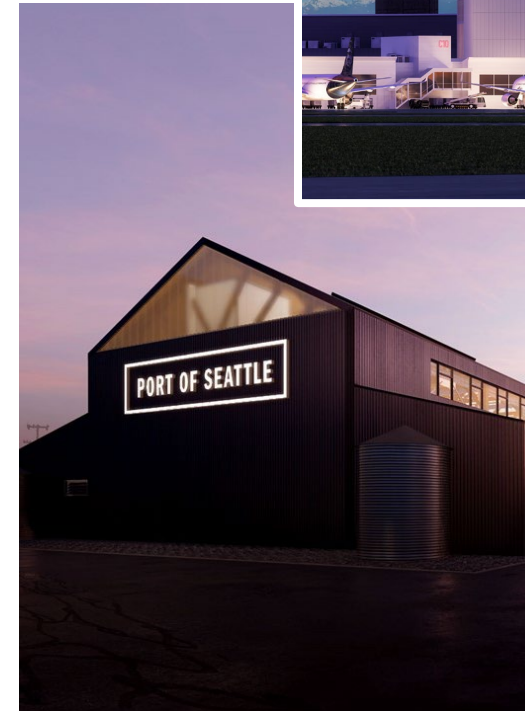
Data source: 2021 Puget Sound Emissions Inventory

*2022 includes 2022 Cruise Ship DPM data and 2021 for all other sources.

*Emissions estimating methodology change in 2021/2022 may impact trend compared to earlier Inventory years.

Building Resilient and Sustainable Infrastructure

- **260+** projects required environmental and building permits
- **140** capital projects initiated the Sustainable Evaluation Framework process
- **3** Sustainable Design Strategies completed
- **7** projects, totaling over **one million** square feet, targeting third-party certification
- C Concourse Expansion
- AdaptSea Seattle Waterfront Resilience Partnership



Lessening the Impact of Aircraft Noise

- **9** Apartment buildings with 320 units in final design
- **3** places of worship in final design
- Completed Villa Enzian condominiums
- Pacific Middle School next in line
- **15** StART Meetings
- **3** airlines recognized with Fly Quiet Awards



9,400+ Single Family Homes



9 Apartments (in progress)



6 Condominiums



3 Places of Worship (in progress)



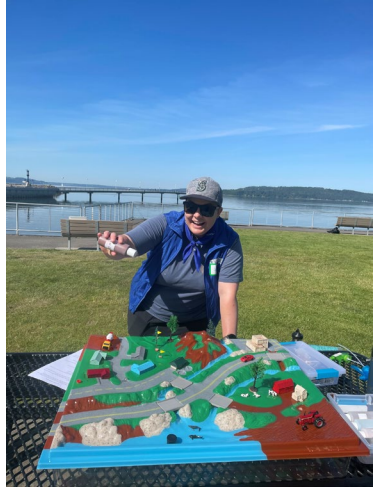
10 Schools

Practicing Equity, Diversity, and Inclusion

- **11** Paid Trainees in Green Jobs Coalition Adult Training Program
- **\$100K** investment in the Coalition for Climate Careers
- New Environmental Justice Program Manager
- Utilized Equity Index in Programs
- Maritime Environmental Justice Work Group



Engaging Our Community



- **60+** stewardship and learning opportunities
- **20+** tours of SEA, seaport, and DRPP
- **2** land stewardship events near SEA
- **\$150,000** in funding awarded from SKCCIF to **5** environmental grant recipients
- **17** internship and fellowship staff hosted
- Partnered with the Muckleshoot Indian Tribe and Suquamish Tribe on youth programs and restoration activities
- Distributed spill prevention best practices in multiple languages

Look Ahead: Building On Our Progress



Sustainability

- SEA Ground Transportation
- Fleet EV transition
- AdaptSea Resiliency
- P66 Shore Power



Clean Energy

- Waterfront Clean Energy Strategy
- Sustainable Maritime Fuels Collaborative
- Green Corridor Feasibility Study
- SAF Policies & Pilots



Land and Water

- EWW Design
- Sustainable Shorelines
- Mitigation Bank
- SAMP draft EA



Noise Management

- Part 150 progress
- Repair and Reinsulation Pilot

Port of Seattle





Thank you.