

RESOLUTION NO. 2020-01

A RESOLUTION OF THE NORTHWEST SEAPORT ALLIANCE **MASTER BENEFIT AND SALARY RESOLUTION**

A RESOLUTION of the Northwest Seaport Alliance amending and superseding Resolution 2019-01.

WHEREAS, the Port of Tacoma and Port of Seattle Commissioners (collectively, “Managing Members”) have authority pursuant to RCW 53.08.170 and RCW 53.57.030 to create and fill positions, set wages, salaries and establish other benefits of employment including retirement, insurance and similar benefits; and

WHEREAS, the Northwest Seaport Alliance (“Alliance”) desires to adopt pay grades, salary ranges and employee benefits,

NOW, THEREFORE, BE IT RESOLVED BY THE MANAGING MEMBERS OF THE NORTHWEST SEAPORT ALLIANCE as follows:

- I. **DEFINITIONS:** Except as otherwise provided, the following definitions apply to this Resolution:
 - A. **At-will:** A designation indicating that the employment relationship may be terminated by the Alliance or the employee at any time and for any or no reason. All Alliance employees are employed on an at-will basis unless otherwise agreed in writing by a majority of the Managing Members.
 - B. **Employee Status:** Except as otherwise specified herein, an employee is defined as any non-represented person who performs personal services for the Alliance and receives a paycheck from the Alliance payroll system. The following categories of employees are used for purposes of compensation and benefits:
 1. **Regular Full-time:** a person who is actively employed by the Alliance and is regularly scheduled to work at least 40 hours per week, excluding limited duration, temporary and relief positions.
 2. **Regular Part-time:** a person who is actively employed by the Alliance and is regularly scheduled to work less than 40 hours per week.
 3. **Relief Employee:** A person who is employed by the Alliance in an on-call position with no guarantee of work.

4. **Full-time Limited Duration Employee:** a person who is actively employed by the Alliance in a full-time position expected to last one to three years.
 5. **Part-time Limited Duration Employee:** a person who is employed by the Alliance and is regularly scheduled to work less than 40 hours per week in a position that is expected to last one to three years.
 6. **Temporary Employee:** a person who is actively employed by the Alliance in a position that is expected to last less than six months.
 7. **Chief Executive Officer (“CEO”):** The CEO is hired by the Managing Members. The terms and conditions of the Benefits and Salary Resolution apply to the salary and benefits of the CEO to the extent determined by agreement of a majority of the Managing Members, unless otherwise stated in the Employment Contract between the CEO and Managing Members. A performance review for the CEO shall occur on an annual basis for the preceding calendar year. Upon the Managing Members’ completion of the annual review and resulting action by the Managing Members taken by vote at a public meeting, any resulting salary adjustments will be effective April 1st. In the event a new CEO is hired after the adoption of this Resolution, the terms and conditions of this Resolution shall remain unchanged and in full force and effect and shall apply to the new CEO. However, the terms and conditions of any Contract negotiated between the Managing Members and the CEO shall control over any conflicting or inconsistent terms and conditions in this Resolution and shall become effective without an amendment to this Resolution. Such Contract must be adopted by a majority of the Managing Members by vote in open session.
- C. **Dependent Status:** The requirements for dependent eligibility are included in the Summary Plan Descriptions for each benefit plan.
- D. **Immediate Family:**
1. Except as otherwise specified herein and subject to any applicable Summary Plan Description, “immediate family” is limited to:
 - a. Spouse or state registered domestic partner of the employee; and
 - b. The parent, foster parent, sibling, child, foster child, grandparent, and grandchild of the employee or the employee’s spouse or state registered domestic partner.

II. ADMINISTRATION OF BENEFIT PROGRAM

- A. **Authorization to Adjust Benefits Plan Components.** The CEO is authorized to amend benefits as necessary to comply with any changes in statutory requirements with notification to the Managing Members.
- B. **Health Care Benefits.**
1. **Health Benefits**
 - a. **Eligibility:** The following categories of employees, and their eligible dependents, are eligible for the Alliance’s health benefit plans:
 - i. Regular Full-time Employees

- ii. Regular Part-time Employees regularly scheduled 30 or more hours a week
 - iii. Full-time Limited Duration Employees
 - iv. Part-time Limited Duration Employees regularly scheduled 30 or more hours a week
 - v. CEO
- b. **Benefits:** The Alliance provides the following health care coverage to eligible employees: medical, prescription, dental, vision and employee assistance program. Plan participants must elect medical to be eligible for dental and/or vision coverage.
- c. **Effective Date:** The effective date for health benefits is the first working day of the month following an employee's date of hire.
- d. **Termination Date:** The termination date for health benefits is the earliest of the following occurrences:
- i. Date the Employer terminates the plan and offers no other group health plan.
 - ii. The last day of the month in which the employee ceases to meet the eligibility requirements for the plan. If the employee has worked 80 or more hours during the final month of employment, the benefits will continue through the end of the following month.
 - iii. Last day of the month in which employee fails to return to work following an approved leave of absence.
2. **Post-Employment Defined Benefit Plan.**
- a. **Eligibility:** Employees eligible for this benefit are:
- i. Regular full-time employees and Chief Executive Officers hired before March 15, 2007 who elected not to make a one-time irrevocable decision to move to the VEBA 5 (See VEBA 5, Section II (C)1(b); and
 - ii. Are eligible to retire under the Washington State Public Employees' Retirement System; and
 - iii. who meet one of the following requirements:
 - (a) Regular Retiree - Must have completed 15 consecutive years of Port/Alliance service if retiree is age 60 or older at the time of retirement; or
 - (b) Early Retiree - Must have completed 20 years of Port/Alliance service if retiree is under age 60 at the time of retirement.
- b. **Benefit:** The post-employment medical benefits will be provided to eligible retiree and, for the life of the retiree, the spouse or state registered domestic partner of record as follows:
- i. Regular Retirees may receive Alliance-paid medical coverage from the first day after eligible retiree loses benefits as an active employee up to the last day in the month in which the retiree turns 70. Retiree may not elect coverage at a later date. During

this period of coverage, Regular Retirees may elect to self-pay for prescription and/or dental coverage.

- ii. Early Retirees receive Alliance-paid medical coverage for up to 10 years from the first day after eligible retiree loses benefits as an active employee. Retiree may not elect to commence coverage at a later date. During this period of coverage, Early Retirees may elect to self-pay for prescription and/or dental coverage.
- iii. For retirees under age 65 on the effective date of retirement and spouse or state registered domestic partner of record, the level of medical benefit provided will be comparable to that provided to active employees and will change when active employee benefits change.
- iv. For retirees from age 65 up to age 70 and spouse or state registered domestic partner of record, the medical benefit provided will be comparable to that provided to active employees, however enrollment in Medicare parts A and B is required. Claims will be processed with Medicare as the primary insurer with NWSA's medical benefit as secondary.

- c. **Creation of a Trust:** The Alliance has established a trust sufficient to fund the Post-Employment Defined Benefit Plan. The Alliance Treasurer shall fund the trust from the Alliance's General Fund.

C. Investment Programs.

1. **Voluntary Employees' Beneficiary Association (VEBA).** The VEBA is a tax-free health reimbursement account. The plan reimburses eligible out-of-pocket health care costs incurred by eligible participants. Employees may be eligible for the VEBA Programs as described below:

- a. **Monthly VEBA.**

- i. **Eligibility:** The following categories of employees are eligible for the monthly VEBA contribution:
 - (a) Regular Full-time Employees
 - (b) Regular Part-time Employees regularly scheduled 30 or more hours a week
 - (c) Full-time Limited Duration Employees
 - (d) Part-time Limited Duration Employees regularly scheduled 30 or more hours a week
 - (e) CEO
- ii. **Benefit:** The NWSA will pay a monthly VEBA contribution of \$75 per month. Any adjustments to the Monthly VEBA will be at the discretion of the CEO, subject to Managing Members' approval.
- iii. **Effective Date:** The first contribution will be in the first month the eligible employee is covered by the Alliance's benefit plan.

iv. **Termination Date:** The last contribution will be in the last month the eligible employee is employed by the Alliance.

b. **VEBA 5**

i. **Eligibility:** Eligible employees, for the purposes of this plan, are further defined as active employees covered under the Alliance's current group health care plan who also meet the criteria in either section (a), (b), or (c) below:

(a) Was hired prior to March 15, 2007 and who made a one-time irrevocable decision to move to VEBA 5;

(b) Was hired after May 1, 2007 and fall into one of the following categories:

1. Regular Full-time Employees
2. Regular Part-time Employees regularly scheduled 30 or more hours a week
3. Full-time Limited Duration Employees
4. Part-time Limited Duration Employees regularly scheduled 30 or more hours a week
5. CEO

(c) Was hired prior to April 1, 2013 into a non-represented position and who fall into one of the following categories:

1. Regular Full-time Employees
2. Regular Part-time Employees regularly scheduled 30 or more hours a week
3. Full-time Limited Duration Employees
4. Part-time Limited Duration Employees regularly scheduled 30 or more hours a week
- CEO.

ii. **Benefit:**

(a) The VEBA 5 shall provide eligible employees a monthly contribution to a health reimbursement account.

(b) The contribution will be increased each year based on inflation. The source of the inflation indices is the United States Department of Labor, Bureau of Labor Statistics, CPI, All Items, Seattle-Tacoma-Bellevue average. The annual adjustment is determined by calculating the difference between the annual CPI for the most recent 12 months ending in December and the annual CPI for the preceding 12-month period ending in December.

(c) Eligible employees hired after May 1, 2007 are subject to a five (5) year vesting period.

(d) Participants in VEBA 5 who have completed 20 or more years of continuous service may elect to purchase retiree medical, prescription and dental coverage for themselves and their spouse or state registered domestic partner of record under the Alliance's benefit programs from the first

day after eligible retiree loses benefits as an active employee to the last day in the month in which eligible retiree turns 65. Retiree may not elect to commence coverage at a later date. Plan participants must elect medical to be eligible for prescription and/or dental coverage. The health benefits provided will be comparable to that provided to active employees and will change when active employee benefits change.

- iii. **Effective Date:** The first contribution will be in the first month the eligible employee is covered by the Alliance's benefit plan.
- iv. **Termination Date:** The last contribution will be in the last month the eligible employee is employed by the Alliance.

2. **Deferred Compensation 457 ("457 Plan").**

- a. **Eligibility:** The following categories of employees are eligible for the deferred compensation 457 Plan:
 - i. Regular Full-time Employees
 - ii. Regular Part-time Employees regularly scheduled 30 or more hours a week
 - iii. Full-time Limited Duration Employees
 - iv. Part time Limited Duration Employees regularly scheduled 30 or more hours a week
 - v. CEO
- b. **Benefit:** Deferred compensation 457 is a plan that allows eligible employees to arrange an authorized portion of salary to be withheld and invested for payment at a later date. Employees may elect pre-tax and/or post-tax deferrals. Annual maximum contributions to this 457 Plan are established by the Internal Revenue Service.
- c. **Effective Date:** Eligible employees may participate in the 457 Plan in the month following the eligible employee's election to participate. Eligible employees who enroll prior to the first day of employment may participate in the first calendar month of employment.
- d. The CEO and Chief Human Resources Officer are hereby authorized to act on the Managing Members' behalf with respect to the amendment of the 457 Plan to bring the Plan into conformance with 26 U.S.C. Section 457.
- e. The CEO and Chief Human Resources Officer are hereby authorized to act on behalf of the Managing Members with respect to the 457 Plan and to formulate rules and procedures consistent with the provisions of the Plan.

3. **401a Retirement Savings Plan ("401a Plan").**

- a. **Eligibility:** Employees in the following categories were previously eligible for the Employee Mandatory Contributions:
 - i. Regular Full-time Employees

- ii. Regular Part-time Employees regularly scheduled 30 or more hours per week
 - iii. Full-time Limited Duration Employees
 - iv. Part-time Limited Duration Employees regularly scheduled 30 or more hours per week
 - v. CEO
- b. **Effective Date:** This 401a Plan was closed to new participants effective November 1, 2015.
- c. **Mandatory Participation Contribution:** Prior to November 1, 2015, eligible employees were provided the opportunity to irrevocably elect to participate in the Mandatory Participant Contribution portion of the 401a Plan by contributing a percentage or flat dollar amount of the Employee's earnings to the plan. A participant shall not have the right to discontinue or vary the rate of such contributions after becoming a plan participant.
- d. The CEO and Chief Human Resources Officer are authorized to act on the Managing Members' behalf with respect to the amendment of the 401a Plan to bring the 401a Plan into compliance with Internal Revenue Code Section 401.
- e. The CEO and Chief Human Resources Officer are hereby authorized to act on behalf of the Managing Members with respect to the 401a Plan and to formulate rules and procedures consistent with the provisions of that Plan.

D. Leave Time.

1. Vacation.

- a. **Eligibility:** The following categories positions are eligible for vacation accruals according to the table below:
- i. Regular Full-time Employees
 - ii. Regular Part-time Employees, regularly scheduled 30 or more hours a week, will accrue pro-rated vacation hours based on the employee's regular schedule
 - iii. Full-time Limited Duration Employees
 - iv. Part-time Limited Duration Employees, regularly scheduled 30 or more hours a week, will accrue pro-rated vacation hours based on the employee's regular schedule
 - v. CEO
- b. **Benefit:** Vacation days for eligible employees will accrue as follows:

Service Year	Grade C40-C42	Grade C43-C45	Grade D61-E84
1	15	17	20
2	17	17	20
3	17	20	20
4	17	20	20

5 through 9	20	20	20
10 through 14	23	23	23
15 through 17	25	25	25
18 through 19	27	27	27
20+	30	30	30

- c. **Monthly Accrual:** Eligible employees accrue vacation on a monthly basis at one-twelfth of the annual accrual rate. Changes to vacation accrual rate based on years of service will be made on the anniversary date of eligible employees.
- d. **Waiting Period:** Eligible employees may use vacation as it is accrued, after the completion of three months of employment.
- e. **Maximum Accrual:** Maximum vacation accrual is capped at 240 hours on December 31st of every year and vacation hours in excess of 240 hours will not be cashed out.
- f. **Vacation Cash Out:** Upon termination of employment, eligible employees will receive payment for all unused vacation accrued, provided the employee has completed three months of continuous Alliance employment.
- g. **Death of Employee:** Accrued vacation of an employee who dies shall be paid in accordance with applicable Washington State Law.

2. **Holidays.**

- a. **Eligibility:** The following categories of positions are eligible for paid holidays according to the table below:
 - i. Regular Full-time Employees
 - ii. Regular Part-time Employees, regularly scheduled 30 or more hours a week, will have pro-rated paid holidays based on the employee's regular schedule
 - iii. Full-time Limited Duration Employees
 - iv. Part-time Limited Duration Employees, regularly scheduled 30 or more hours a week, will have pro-rated paid holidays based on the employee's regular schedule
 - v. CEO
- b. **Benefit:**
 - i. These eleven (11) holidays shall be observed according to the conditions outlined herein:

Holidays	
New Year's Day	Veterans Day
Martin Luther King, Jr.'s Birthday	Thanksgiving Day
Presidents' Day	Day after Thanksgiving
Memorial Day	Christmas Eve
Independence Day	Christmas Day
Labor Day	

- c. **Scheduling of Holiday:** When Holidays fall on scheduled days off, they will be recognized as follows:
 - i. Employees on a Monday through Friday Work Schedule: When a holiday falls on a Sunday, the following Monday will be considered the holiday. When a holiday falls on a Saturday, the preceding Friday will be considered the holiday.
 - ii. Employees working in a Seven Day Operation: When an actual holiday falls on a Saturday or Sunday, the actual holiday will be considered the “official holiday” for those employees scheduled to work that day, not the designated holiday date on the preceding Friday or following Monday.

3. Paid Parental Leave.

- a. **Eligibility:**
 - i. Regular Full-time Employees
 - ii. Regular Part-time Employees regularly scheduled 30 or more hours a week are eligible for pro-rated parental leave based on the employee’s regular schedule
 - iii. Full-time Limited Duration Employees
 - iv. Part-time Limited Duration Employees regularly scheduled 30 or more hours a week are eligible for pro-rated parental leave based on the employee’s regular schedule
 - v. CEO
- b. **Benefit:** Eligible employees may take up to four weeks (28 calendar days) of paid parental leave for the birth, adoption or foster placement of a dependent child.
- c. **Usage:**
 - i. Paid Parental Leave provides up to four weeks (28 calendar days) of paid time off to be taken in one consecutive period of time following a qualifying event (birth, adoption or foster placement of a child).
 - ii. The four weeks of Paid Parental Leave must be completed by the end of the 12th calendar month following the birth or placement of the child.
 - iii. Paid Parental Leave is limited to one 4-week (28 calendar day) period every 12 calendar months beginning with the qualifying event.
 - iv. Paid Parental Leave can only be used once the child has been placed in the home and may not be used for the preparation stages of adoption or foster placement.
- d. **Waiting Period:**

Employees must have successfully completed their Probationary Period with the Alliance at the time of the qualifying event.

- e. **Guidelines:**
 - i. If a single qualifying event applies to two eligible Alliance employees, both employees are eligible for Paid Parental Leave.
 - ii. The Alliance reserves the right to recover the value of wages paid under the Paid Parental Leave from the employee if the employee fails to return to work or voluntarily leaves the employment of the Alliance within three months of returning to work.

4. **Sick Leave.**

- a. **Eligibility:** The following categories of positions will be eligible for sick leave accruals:
 - i. Regular Full-time Employees
 - ii. Regular Part-time Employees regularly scheduled 30 or more hours a week will accrue pro-rated sick leave hours based on the employee's regular schedule
 - iii. Full-time Limited Duration Employees
 - iv. Part-time Limited Duration Employees regularly scheduled 30 or more hours a week will accrue pro-rated sick leave hours based on the employee's regular schedule
 - v. CEO
- b. **Benefit:** Eligible employees shall accrue sick leave at the rate of 5.33 hours for each full month of service (8 days per year).
- c. **Usage:** Employees may use sick leave with pay for absences necessitated by:
 - i. Injury or illness of themselves;
 - ii. Serious injury or illness to a member of their immediate family;
 - iii. Forced quarantine in accordance with health regulations;
 - iv. Death in their immediate family (up to four days);
 - v. Compliance with FMLA qualifying events; and
 - vi. Required dental care or medical outpatient care, provided, employee provides proof of an appointment for such dental or medical outpatient care to the department head if requested.
- d. **Waiting Periods:** Eligible employees may use sick leave as it accrues.
- e. **Sick Leave Cash Out.**
 - i. Eligible employees hired prior to September 1, 2003 will have sick leave accruals in excess of 240 hours automatically cashed out on an annual basis according to the table set out below.

The cash-out percentage value for eligible employees is based on the employee's years of service as of September 1, 2003.

Years of Service	Cash Out Percentage of hours exceeding 240
1 but less than 5 full years:	25%
5 but less than 10 full years:	50%
10 but less than 15 full years:	75%
15 or more full years:	100%

- ii. Eligible employees hired after September 1, 2003 but before December 31, 2019 will have accrued sick leave above 240 hours automatically cashed out on an annual basis at twenty-five percent (25%) of the eligible hours at employee's current rate of pay.
- iii. Eligible employees hired after January 1, 2020 are not eligible for sick leave cash out until they have completed 5 years of service. After 5 years of service, they will have accrued sick leave above 240 hours automatically cashed out on an annual basis at twenty-five percent (25%) of the eligible hours at employee's current rate of pay.
- f. Accrued sick leave shall be paid to any eligible employee separated from the employer due to termination, resignation or retirement. The cash out percentage of eligible hours will be determined by the guidelines set out above.
- g. Accrued sick leave of eligible employees who die shall be paid at the percentage set out above in accordance with current Washington State Laws.

5. **Washington State Paid Sick Leave ("WPSL")**

- a. **Eligibility:** All nonexempt employees including relief, part-time, temporary, seasonal workers and interns on Alliance payroll are eligible for WPSL.
- b. **Accrual:**
 - i. Paid sick leave accrues at the rate of one hour for every 40 hours worked.
 - ii. For employees receiving a more generous sick leave benefit, WPSL hours are a component of, not in addition to, regular (non-WPSL) sick leave.
 - iii. There is no maximum accrual limit.
- c. **Definitions:**
 - i. For purposes of Domestic Violence Leave, a "family member" is defined as any individual whose relationship to the employee can be classified as a child, spouse, parent, parent-in-law, grandparent, or person with whom the employee has a dating relationship.
 - ii. For purposes of WPSL, except for Domestic Violence Leave, a "family member" is defined as:
 - a. A child, including a biological, adopted, or foster child, stepchild, or a child to whom the employee stands in loco parentis, is a legal guardian, or is a de facto parent, regardless of age or dependency status;
 - b. A biological, adoptive, de facto, or foster parent, stepparent, or legal guardian of an employee or the employee's spouse or registered domestic partner, or a person who

- stood in loco parentis when the employee was a minor child;
 - c. A spouse;
 - d. A registered domestic partner;
 - e. A grandparent;
 - f. A grandchild; or
 - g. A sibling.
 - d. **Usage:** Employees may use WPSL:
 - i. to care for or attend to preventive care and treatment for a mental or physical illness, injury, or health condition for themselves or a family member;
 - ii. when the employee's workplace or their child's school or place of care has been closed by a public official for any health-related reason (excludes other interruptions such as power outages and inclement weather days);
 - iii. for absences that qualify for leave under the state's Domestic Violence Leave Act;
 - iv. for absences that qualify for leave under the Tacoma ordinance for school or child care closure, or bereavement.
 - e. **Waiting Period:** Employees may use accrued WPSL after the 90th day of employment.
 - f. **Guidelines:**
 - i. There is no cash value to WPSL.
 - ii. Up to 40 hours of accrued unused WPSL is carried over each year.
 - iii. An employer may not request verification unless the absence lasts four consecutive work days or more.
 - iv. An employer may not discipline, retaliate, or discriminate against an employee for using WPSL.
 - v. An employer must provide regular notification to employees of available WPSL balances and amount of WPSL used.
 - vi. An employee's WPSL balance must be reinstated if an employee is rehired within 12 months of separation from employment.

6. Washington Paid Family & Medical Leave

- a. **Eligibility:** To be eligible, an employee must work at least 820 hours or more in the qualifying period. The qualifying period is the first four of the last five completed calendar quarters prior to the date when benefits are claimed.
- b. **Benefit:** The Washington Paid Family & Medical Leave Program ("WFML") is a state-run insurance program funded by both employers and employees via payroll withholdings, which began on January 1, 2019. The weekly benefit ranges from \$100 to \$1,000 depending on the employee's weekly wage, median statewide incomes and other factors.

- c. **Usage:** Beginning on January 1, 2020, employees may apply for this benefit with the Washington Employment Security Department which will process applications, make benefit determinations and pay benefits to eligible employees for up to 18 weeks of leave. WFML is available for:
 - i. bonding after the birth or placement of a child under age 18;
 - ii. an employee's or family member's serious health condition; and
 - iii. certain military-related events including leave for short-notice deployments, urgent childcare related to military service and post-deployment activities.
- d. Employees may not use another paid leave (such as vacation or sick leave) when receiving WFML benefits.
- e. For purposes of WFML, a "family member" is defined as a child, grandchild, grandparent, parent, sibling, or spouse of an employee.

7. Leaves of Absence for Occupational Injuries or Diseases.

- a. Employees who are unable to work due to an occupational injury or disease covered by industrial insurance shall be granted a leave of absence without pay for up to six (6) months, not to exceed the end date of the employee's limited duration or temporary position (as applicable), where the employee provides medical documentation within twelve (12) weeks from the first day of leave that he or she is more likely than not expected to return to work on a full or light duty basis within the six month time frame. The Alliance reserves the right to obtain a second medical opinion as to the employee's ability to return to the position he or she held prior to the leave of absence.
- b. The Alliance may at any time in its discretion temporarily backfill the vacancy created by an employee on leave of absence. The Alliance may also hire a regular replacement for the vacancy created by an employee on leave of absence for an occupational injury or disease when the employee either fails to provide documentation supporting the need for leave within twelve (12) weeks from the first day of leave, or at least two licensed health care providers agree that the employee is not likely to return to work on a full or light duty basis within the six-month period.
- c. The employee's leave of absence shall run concurrently with benefits mandated by federal and state law, if applicable, and may not be stacked with other leave of absence benefits.
- d. **Health Benefits:** For eligible employees on an approved leave of absence for an occupational injury or disease, the Alliance shall pay health and welfare premiums including medical, dental, vision, prescription, long-term disability and life insurance as applicable for up to six (6) months.
- e. **Holidays, Sick Leave and Vacation:** Holidays, sick leave and vacation will accrue for a period of up to thirty (30) calendar days after beginning an approved leave of absence.

8. Leaves of Absence without Pay

- a. The Alliance may grant a leave of absence without pay for qualifying reasons to include non-occupational injury and disease and to reduce personal hardship. Such leave will be granted consistent with state and federal law.
- b. Unless otherwise allowed under state or federal law, an employee must have exhausted all of his or her applicable paid leave (such as vacation, sick leave and bereavement leave) and Family and Medical Leave if applicable, before qualifying for a leave of absence without pay.
- c. Leave Without Pay – Personal Hardship:
 - i. Leave of absences without pay for personal hardship shall be for a maximum of sixty (60) calendar days but may not exceed the end date of the employee's limited duration or temporary position (as applicable). When Leave of Absence Without Pay is used intermittently, 60 calendar days are counted from the first day of the Leave of Absence Without Pay and converted to hours to track leave usage.
 - ii. Approval of leaves for personal hardship shall be within the discretion of the Department Head, in consultation with Human Resources, and shall balance the employee's request with the operational needs of the department. The Alliance reserves the right to temporarily backfill the person who is on leave for hardship reasons.
 - iii. The employee will submit a written request with appropriate documentation at least fourteen (14) calendar days prior to the date of leave, unless precluded by an emergency situation.
 - iv. **Health Benefits:** For eligible employees on an approved leave of absence without pay, the Alliance shall pay health and welfare premiums including medical, dental, vision, prescription, long-term disability and life insurance as applicable for 60 calendar days after entry into the approved leave of absence without pay.
 - v. **Holidays, sick leave and vacation:** Holidays, sick leave and vacation will accrue for a period of up to thirty (30) calendar days after entry into an approved leave of absence without pay.
- d. Personal Leave without Pay
 - i. **Eligibility:** The following categories of positions will be eligible for Personal Leave Without Pay:
 - (a) Regular Full-time Employees
 - (b) Regular Part-time Employees, regularly scheduled 30 or more hours a week
 - (c) Full-time Limited Duration Employees

(d) Part-time Limited Duration Employees, regularly scheduled 30 or more hours a week

(e) CEO

ii. **Benefit:** Effective January 1, 2020, employees may make up to two (2) requests totaling up to 10 working days in a rolling 24-month period subject to advance approval by the employee's manager and the Chief Human Resources Officer.

iii. **Usage:**

(a) Successful completion of probationary period;

(b) Consistent satisfactory job performance with no current performance improvement plan;

(c) Exhaustion of all applicable paid leave;

(d) The employee must intend to return to work following such leave; and

(e) Has not already been approved for unpaid leave for personal hardship.

9. **Unauthorized Absences:** Any absence from work station or property, not authorized by the Employer, will be considered an unauthorized absence. The employee taking an unauthorized absence may be subject to disciplinary action up to and including termination.

10. **Shared Leave:** On a voluntary basis, Alliance employees may donate accrued leave to benefit other Alliance or Port of Tacoma employees who have not exhausted their long-term disability elimination period and who are suffering from a serious health condition which would otherwise require the employee to take leave without pay or terminate his or her employment. The maximum number of shared leave hours an eligible employee may receive is 480 hours in any rolling one-year period.

11. **Bereavement Leave:** At the discretion of management and with the approval of Human Resources, employees may receive up to three days of bereavement leave after the death of an immediate family member as defined in Section (I)(D), in addition to up to four days of accrued sick leave. Such leave shall not result in compensation for more than the scheduled number of hours in any normal workweek.

12. **Military Leave:**

a. Any employee who is a member of the Washington national guard or of the army, navy, air force, coast guard, or marine corps reserve of the United States, or of any organized reserve or armed forces of the United States shall be entitled to and shall be granted a paid military leave of absence from Alliance employment for a period not to exceed twenty-one working days during each year beginning

October 1st and ending the following September 30th as provided in and limited by RCW 38.40.060.

- b. Such military leave of absence shall be in addition to any paid leave to which the officer or employee might otherwise be entitled, and shall not involve any loss of efficiency rating, privileges or pay. During the paid period of qualifying military leave, the employee shall receive his or her normal pay.

13. Jury Duty Leave:

- a. Jury Duty: regular full-time employees who serve on jury duty shall receive full regular compensation for time actually spent fulfilling jury duty.
- b. Subpoenaed Witness Leave: When a regular full-time employee is subpoenaed as a witness under circumstances which are determined by the Chief Human Resources Officer to be related to and involve the Alliance, the same pay conditions listed for jury duty shall apply.

E. Salary Protection.

1. Life and Accidental Death and Dismemberment Insurance.

- a. **Eligibility:** The following categories of employees are eligible for the Alliance's life and accidental death and dismemberment insurance coverage:
 - i. Regular Full-time Employees
 - ii. Part-time Employees regularly scheduled 30 or more hours a week
 - iii. Full-time Limited Duration Employees
 - iv. Part-time Limited Duration Employees regularly scheduled 30 or more hours a week
 - v. CEO
- b. **Benefit:** Eligible employees may receive the equivalent of their annual base salary; minimum of \$50,000 and a maximum of \$100,000.
- c. **Effective Date:** First day of the month coinciding with or next following the employee's hire date.
- d. **Termination Date:** Benefits shall terminate on the earliest to occur of the following dates:
 - i. The date the policy terminates;
 - ii. The date employee is no longer in a class eligible for coverage, or the policy no longer insures the employee's class;
 - iii. The date the premium is due but not paid;
 - iv. The date the employee terminates employment; or
 - v. The date the employee is no longer actively at work; unless continued in accordance with the plan's continuation provisions.

2. Long Term Disability Insurance.

a. Eligibility:

- i. Regular Full-time Employees
- ii. Part-time Employees regularly scheduled 30 or more hours a week
- iii. Full-time Limited Duration Employees
- iv. Regular Part-time Limited Duration Employees regularly scheduled 30 or more hours a week
- v. CEO

b. **Benefit:** Alliance-paid long-term disability insurance with a 90-day elimination period.

c. **Effective Date:** First day of the month coinciding with or next following the employee's hire date.

d. **Termination Date:** Employee shall cease to be covered on the earliest to occur of the following dates:

- i. The date the Group Insurance Policy terminates;
- ii. The date the Group Insurance Policy no longer insures the employee's class;
- iii. The date premium payment is due but not paid by the Alliance;
- iv. The last day of the period for which any required premium contribution has been made; if any further required contribution is not paid;
- v. The date employee ceases to be in an eligible class, including:
 - (a) Temporary layoff;
 - (b) Leave of absence, including but not limited to leave for military service; or
 - (c) A general work stoppage (including a strike or lockout); or
- vi. The date Employer ceases to be a Participant Employer, if applicable.

F. Employee Participation Fund

1. An employee participation fund is established to promote employee engagement activities, team building events, increase employee satisfaction, and to facilitate organization wide communications. The Chief Human Resources Officer may authorize the use of this fund for employee events that promote employee participation, team building, productivity, satisfaction or facilitate employee communications.
2. The fund may also be used to support other employee participation events, subject to the program criteria defined in the Employee Participation Fund Application.

III. ADMINISTRATION OF SALARY PROGRAM

A. **Establishment of Federal Fair Labor Standards Act (FLSA) classifications, salary grades and ranges.** There is hereby established

a classification schedule and graded salary ranges for Alliance positions, which shall include all positions not covered by signed Collective Bargaining Agreements:

1. **FLSA Classification:** All Alliance positions are classified according to criteria of the FLSA as either exempt or nonexempt from overtime.
 2. **Evaluation:** The CEO, in consultation with staff, shall periodically evaluate the work of non-represented employees to ensure proper classification and compliance with the FLSA.
- B. **Graded Salary Ranges:** All positions except non-graded positions will be assigned an alphanumeric grade utilizing the Decision Band Method. Furthermore, the CEO is authorized to conduct salary surveys to ensure that the Alliance's salary ranges remain competitive within the general recruitment area and may also recommend an adjustment to salary ranges based on Cost of Labor utilizing the Employment Cost Index adjustments as necessary for the salary ranges. The new pay ranges may be amended by ordinary motion approved by the Managing Members at any regular or special meeting.
1. **Special Allowances/ Geographic Differentials.** Salary ranges for positions with an assigned home site outside of Puget Sound area shall be determined by economic data, market value and internal equity. A geographic differential based on cost of living in the general area to which the positions are assigned may be applied to the range indicated by analysis of the local Puget Sound labor market. The CEO, after consultation with staff, is authorized to approve geographic differentials on a case-by-case basis.
 2. **Student Interns.** Salary rates and employment conditions for students employed under internships or foreign exchange programs are determined by the CEO in consultation with staff and will be based in part upon the prevailing rates of pay and other conditions established by the program's sponsors.
 3. **Salary Adjustments:** Individual salaries and grade levels may be adjusted by the CEO based on internal equity, market equity, reorganization, reclassification, job duty changes, performance or promotions. These adjustments will be made in accordance with the guidelines and parameters as set forth in the Alliance's Compensation and Internal Staffing Policy.

Budget totals for salary increases, lump sum payments and market adjustment increases shall be approved by Managing Members as part of annual budget process. Salary increases awarded to eligible employees are administered within the guidelines of the Performance Management Program. In addition, the CEO may approve a discretionary performance payout in the form of a one-time lump sum for employees who have met the criteria of the Exceptional Lump Sum Award program. The CEO also has discretion to approve market adjustment increases where appropriate given current market

conditions and an employee's skills and experience in current position. The total amount awarded for salary increases, lump sum awards and market adjustments must not exceed budgeted totals.

C. Authorization of a Cost of Labor Adjustment to Salary Ranges:

Based on the annual Employment Cost Index, the salary ranges for employees will be increased by 3.0 percent (3%) effective April 1, 2020. Following are the annual salary ranges by grade. A detailed table by job title is in Attachment A.

Pay Grades	Annual Salaries		
	Minimum	Midpoint	Maximum
E84	\$180,360	\$234,468	\$288,564
E83	\$169,716	\$220,632	\$271,524
E82	\$161,208	\$209,580	\$257,940
D64	\$129,312	\$168,084	\$206,880
D63	\$118,680	\$154,284	\$189,984
D62	\$110,016	\$143,208	\$176,244
D61	\$101,676	\$132,168	\$162,648
C45	\$91,032	\$118,320	\$145,644
C44	\$78,192	\$101,640	\$125,064
C43	\$70,896	\$92,148	\$113,376
C42	\$63,600	\$82,668	\$101,736
C41	\$56,316	\$73,188	\$90,072

IV. EFFECTIVE DATE

This RESOLUTION remains valid and in effect from its adoption unless and until such time as a majority of the Managing Members adopt by vote, at an open public meeting, any subsequent Master Benefit and Salary Resolution. The CEO is authorized to take any necessary action to continue to keep effective all terms, provisions and conditions contained herein.

Subject to Managing Members' approval, the Alliance reserves the right to amend or terminate any employee welfare plan and/or salary practice.

The intent of this Resolution is to administer pay and benefits in accordance with State and Federal law. Should any part of this Resolution require a change to pay or benefit administration practices by reason of any existing or subsequently enacted legislation, such change(s) will be incorporated without the need to amend this Resolution with notification to the Managing Members.

ADOPTED by a majority of the members of The Northwest Seaport Alliance at a special meeting held on the 5th day of March, 2020, a majority of the members being present and voting on this resolution and signed by its Co-

Chairs and attested by its Co-Secretaries under the official seal of said Managing Members in authentication of its passage this ____ day of March, 2020.

John McCarthy, Co-Chair
The Northwest Seaport Alliance

Peter Steinbrueck, Co-Chair
The Northwest Seaport Alliance

ATTEST:

Don Meyer, Co-Secretary
The Northwest Seaport Alliance

Sam Cho, Co-Secretary
The Northwest Seaport Alliance

draft

**EXHIBIT A TO MASTER BENEFITS AND SALARY RESOLUTION 2020-01
SALARY RANGES EFFECTIVE APRIL 1, 2020**

Grade	Positions	Minimum	Midpoint	Maximum
E84	Deputy Chief Executive Officer Deputy Executive/Chief Operating Officer	\$180,360	\$234,468	\$288,564
E83	Chief Commercial Officer Chief Facilities Development Officer Chief Financial & Administrative Officer Chief Operations Officer General Counsel	\$169,716	\$220,632	\$271,524
E82	Chief Human Resources Officer	\$161,208	\$209,580	\$257,940
D64	Director, Public Affairs	\$129,312	\$168,084	\$206,880
D63	Director, Alliance Real Estate Director, Business Development	\$118,680	\$154,284	\$189,984
D62	Director, Operations (Service Center) Director, Port Operations	\$110,016	\$143,208	\$176,244
D61	Operations Program Manager Sr. Business Development Manager Sr. Environmental Manager-Water Quality Sr. Manager, Business Development Sr. Manager, Environmental Programs Sr. Manager, Operations Sr. Manager, Planning Sr. Terminal Operations Manager	\$101,676	\$132,168	\$162,648
C45	Business Development Manager II Business Intelligence Manager Operations & Safety Superintendent Operations Superintendent Project Manager II, Environmental Sr. Alliance Real Estate Manager Sr. Planner Sr. Real Estate Manager	\$91,032	\$118,320	\$145,644
C44	Manager, Trade & Marketing Project Manager, Environmental Business Development Manager I Real Estate Manager	\$78,192	\$101,640	\$125,064
C43	Environmental Analyst II Market & Research Analyst Sr. Business Development Representative Waterway Coordinator	\$70,896	\$92,148	\$113,376
C42	Commission Records Specialist Executive Assistant Business Development Representative Operations Business Analyst	\$63,600	\$82,668	\$101,7362
C41	Commercial Specialist Executive Administrative Assistant Operations Specialist Real Estate Specialist	\$56,316	\$73,188	\$90,072