Item No.: 3A Date of Meeting: July 17, 2018

Security Services Agreement



# **Action Requested**



Request Commission approval to execute the Third Amendment to the Security Services Agreement between SSA Terminals (Tacoma) LLC and the Port of Tacoma; which extends the agreement through October 31, 2018.

## Background



- In October of 2009, the Commission approved a contract to provide APMT with security services in exchange for APMT payment, through December 31, 2017.
- APMT provided notice to POT of its lease termination effective October 2, 2017.
- SSA Terminals (Tacoma) began operating the terminal on October 2, 2017, in accordance with the Lease and Operating Agreement with the Port of Tacoma.
- October 19, 2017 Commissioned approved the transfer of the Security Services Agreement, from APMT to SSA Terminals (Tacoma).
- With commission approval, the Port and SSA further agreed that the termination date of the Security Agreement would be extended through April 30, 2018.

## Background



- Under the authority of the Chief Executive Officer and in agreement with both parties, the security services contract agreement was extended through July 17, 2018 via the first and second amendment. All other contractual language remained the same.
- The Port has an established workforce which consists of represented Terminal Security Officers (Regular and Relief TSOs).
- Officers are covered by the Local 22 Terminal Security Officers CBA which was recently extended to October 31, 2018

# Security Services Agreement Provisions



- The Port and SSA desire to continue the terms of the existing Security Agreement to provide SSA with security services.
- In partnership with SSA and ILWU, Local 22 TSO (Union), and in parallel to the extension of the Collective Bargaining Agreement, the Port is seeking approval to extend the current Security Service Agreement through October 31, 2018.
- POT and SSA recognize the need to extend the agreement due to the Port's ongoing contract negotiations, for three separate bargaining units.
  - Merger ILWU 22 & 28 (Patrol & TSO)
  - Unforeseen bargaining delays

## Financial Summary



Estimated Agreement and Contract Costs October 2017 – October 2018:

Security Service Agreement Revenue

\$1,464,252

POT ILWU 22 TSO Contract Costs

\$1,364,455

# Next Step



Following approval by the Commission, the Chief Executive Officer or his designee will execute the extension of the Security Services Agreement between SSA Terminals (Tacoma) LLC and the Port of Tacoma.