

**CONTRACT BETWEEN  
THE SPOKANE AIRPORT BOARD  
AND  
LOCAL #29  
INTERNATIONAL ASSOCIATION OF FIREFIGHTERS  
(AFL/CIO)**

**January 1, 2024 – December 31, 2024**

## TABLE OF CONTENTS

<u>ARTICLE</u>	<u>PAGE</u>
1. RECOGNITION	1
2. EMPLOYER SECURITY	1
3. UNION DUES AND FAIR SHARE DEDUCTIONS	1
4. UNION BUSINESS	2
5. TERM OF AGREEMENT	2
6. WAGES	2
7. LONGEVITY AND SEVERANCE PAY	3
8. HEALTH BENEFITS	3
9. PHYSICAL EXAMINATIONS	3
10. UNIFORMS	4
11. PROTECTIVE CLOTHING	5
12. WORKING OUT OF CLASSIFICATION	5
13. HOLIDAYS	6
14. APPROVED LEAVE OF ABSENCE	6
15. HOURS OF DUTY / OVERTIME / CALL BACK / HOLDOVER PAY	10
16. SHIFT ROTATION AND TRANSFERS	11
17. TRADE TIME	11
18. EMPLOYEE / UNION GRIEVANCE PROCEDURE	11
19. MANAGEMENT RIGHTS	13
20. TRAINING AND SAFETY	13
21. DEPARTMENT STAFFING	14
22. DEPARTMENT RULES AND REGULATIONS	14
23. DRUG AND ALCOHOL ABUSE	15
24. PERSONNEL REDUCTION / SENIORITY / COMPENSATION	15
25. CONFORMITY TO LAW	15
26. PAYROLL DEDUCTIONS	15
27. NONDISCRIMINATION	16
28. PENSION AND RETIREMENT	16
29. WSCFF MEDICAL EXPENSE REIMBURSEMENT PLAN	16
30. PROMOTIONS	17
31. SUPPLEMENTAL AGREEMENT	18
32. AGREEMENT BINDING ON SUCCESSORS	18
33. LAWSUITS / LIABILITY	18
34. VENUE	18
35. SAVING CLAUSE	18
36. PARAGRAPH HEADINGS	19
37. NOTICES	19
38. SIGNATURES	19
 <u>APPENDIX</u>	
A WAGES	20
B DRUG AND ALCOHOL TESTING	21
C MEDICAL INSURANCE	25

**CONTRACT BETWEEN  
THE SPOKANE AIRPORT BOARD  
AND  
LOCAL #29  
INTERNATIONAL ASSOCIATION OF FIREFIGHTERS  
(AFL/CIO)**

THIS AGREEMENT is entered into by and between the SPOKANE AIRPORT BOARD, hereinafter referred to as the "Employer", and LOCAL #29, INTERNATIONAL ASSOCIATION OF FIREFIGHTERS, hereinafter referred to as the "Union".

It is the purpose of the Agreement to achieve and maintain harmonious relations between the Employer and the Union; to provide for equitable and peaceful adjustment of differences which may arise, and to establish proper and equitable standards of wages, hours and other conditions of employment.

NOW, THEREFORE, in consideration of the rights granted herein and the mutual covenants and agreements hereinafter contained, the parties hereto agree, for themselves, their successors and assigns, as follows:

**1. RECOGNITION**

The Employer recognizes the Union as the exclusive bargaining agent for the full-time firefighting personnel up through and including fire Lieutenants who are employed in the Spokane International Airport Fire Department by Spokane Airport Board. Furthermore, the employer recognizes RCW 41.26 and 41.56 as the law that governs the specific provisions contained within this agreement.

**2. EMPLOYER SECURITY**

The parties hereto agree to the vital and essential nature of service provided by the Union in protecting the public safety. In recognition of this fact, the Union agrees that there shall be no work interruptions, slow-downs, sick-outs or strikes at any time. In the event of unauthorized interruptions, the Union agrees that it will join the Employer in requiring its members to return to work immediately. The Employer agrees that there shall be no lock-out of Fire Department Employees under any circumstances.

The parties hereto agree that an individual's violation of this provision shall result in that Employee's termination.

**3. UNION DUES AND FAIR SHARE FEES DEDUCTIONS**

The Union will provide the Employer with a list of all Union members and nonmembers that have signed a payroll deduction authorization card. The Union will also provide the Employer with the signed payroll deduction authorization card from each Union member and nonmember consenting to the deduction of Union dues or fair share fees from the particular

employee's paycheck. Thereafter, the Employer shall make the authorized employee payroll deductions and remit those amounts to the Union every month.

The Union shall inform the Employer of the monthly payroll deduction amounts for both Union dues and fair share fees to be paid the Union.

The Employer will cease deductions from payroll upon notice from the Union that the Employee has revoked their payroll deduction authorization. If the Employer receives written revocation from an employee, the Employer will notify the Union within five (5) days and act in accordance with the law.

**4. UNION BUSINESS**

The Employer agrees to release one Union Officer or Union designated representative without loss of pay to attend official firefighter conferences, conventions and regional seminars, limited to three (3) seminars or conferences per year for the entire Union. After 72 hours have been utilized, the Employer agrees to release one Union Officer or Union designated representative per shift if staffing allows without loss of pay to conduct Union business at the determination of the Airport Chief Executive Officer or their designee ("Management").

Attendance by Employee(s) at these three (3) seminars/conferences or at additional conferences, conventions, seminars or the conduct of other Union business will be at no cost to Employer and Employee(s) absence will be covered by another Union member with prior approval of Management.

The Employer shall provide a bulletin board specifically for Union use at the fire station at a convenient and usable location. The Employer shall provide space for Union reference materials, equipment and filing cabinets. Maintenance and security of such items will be the Union's responsibility.

**5. TERM OF AGREEMENT**

This agreement shall be effective January 1, 2024 and shall remain in effect until December 31, 2024. Should either party choose to renegotiate the Agreement upon its expiration, it shall notify the other party in accordance with RCW 41.56.440 (Negotiations - Declarations of Impasse - Appointment of Mediator).

**6. WAGES**

The wages for the term of the agreement shall be as set forth on Appendix A, attached hereto and made a part hereof. There will be a wage differential of 16% maintained between Top Step Firefighter wage and Lieutenant wage.

Employer may, at its sole discretion, assign newly hired employees to any step in the current wage scale depending on qualifications at the time of hire.

**7. LONGEVITY AND SEVERANCE PAY**

The Employer agrees to the following longevity pay which shall be added to the monthly salary and wages of each Employee:

- After 5 years 2% of Step 5
- After 10 years 4% of Step 5
- After 15 years 6% of Step 5
- After 20 years 8% of Step 5
- After 25 years 10% of Step 5

In the event a full time, regular Employee's employment is terminated, except for immediate dismissal as set forth in the Rules and Regulations, violation of Union Security or Employer Security, Employer agrees to pay such Employee severance pay in the amount equal to one (1) month's pay at Employee's most recent pay scale. This provision shall not apply to probationary Employees.

**8. HEALTH BENEFITS**

In accordance with RCW 41.26 (Law Enforcement Officers' and Fire Fighters' Retirement System) or other applicable State laws, the Employer shall provide a medical program for the Employee at no cost to the Employee. This medical and dental insurance will be provided exclusively by Local 29's medical benefit trust as per the Memorandum of Understanding contained in Appendix C.

The Employer will contribute \$75 per month for all Employees into a VEBA to be selected and administered by the Union.

Any determination by the applicable insurance company which, as a result of Employee's failure to follow the procedures set forth by such insurance company, that reduces benefits or otherwise penalizes the Employee shall be the responsibility and liability of such Employee and will not be the liability of Employer.

**9. PHYSICAL EXAMINATIONS**

The Employer shall provide physical examinations that include Eye exams, Hearing exams, Flu shots, and a Pulmonary Function Tests every 2 years for all Employees by a licensed occupational medicine physician selected by Employer. The Employer shall pay all costs incurred in the physical examinations. Each firefighter shall be required to maintain a state of physical fitness throughout the year as determined by a physician.

More frequent physicals shall be at either the direction of physician or Employer or request of Employee. All medical records shall be kept confidential from the Employer except as provided by the Local Disability Board and with the written consent of the Employee. The Physician's verification of the employee's fitness for duty shall be provided to the Employer upon request.

The Employer agrees to provide Hepatitis B vaccinations and boosters as needed at no cost to those Employees who elect to be vaccinated. New employees will be given the opportunity to accept or reject vaccinations within 30 days of being hired. The Employer will be provided with a copy of the signed waiver from those employees who choose not to receive the vaccination.

The Employer agrees to provide other vaccinations and/or testing as recommended and/or required by Federal or State agencies.

**10. UNIFORMS**

Employer and Union agree that uniforms worn by Employees of the Fire Department should have a professional appearance. The Washington state Vertical Safety Standards for Firefighters (WAC 296-305) and the Department Rules and Regulations set forth specific type, style and/or condition of standard uniform, including but not limited to, the following:-

1. Shirts
2. Pants
3. Coveralls
4. Coat and/or Jacket
5. Belt
6. Shoes/Boots
7. Name Tags
8. Insignia Patches, if necessary or required
9. Cap

Employer shall provide at no cost to Employee a uniform issue consisting of not less than five shirts and five pants. Also provided shall be Coveralls, belt, name tags, boots, insignia patches, coat and cap in quantities sufficient to provide Employee with a clean uniform for each assigned shift in compliance with all applicable Washington State and Federal laws. Employer shall provide a pair of boots/shoes not more than once a calendar year unless needed due to damage or excessive wear which shall be verified by the shift supervisor.

Maintenance of the uniform shirts and pants shall be the Employer's responsibility and at the expense of the Employer.

Compliance by Employees with the uniform requirements and standards to be incorporated in the Department Rules and Regulations shall be the responsibility of the shift officers.

Cost of uniforms and personal property, necessary for performance of duty which are damaged in the performance of emergency services and not covered by Employee's insurance shall be paid by Employer.

## **11. PROTECTIVE CLOTHING**

The Employer shall furnish and thereafter maintain at no cost to the Employee all protective clothing and equipment necessary to preserve and protect the safety and health of all Employees

Protective clothing and equipment in adequate quantities shall include, but not be limited to:

1. Fire Fighting Helmets
2. Fire Fighting Boots
3. Fire Fighting (Bunker-Turn Out) Pants
4. Fire Fighting (Bunker-Turn Out) Coats
5. Fire Fighting Gloves
6. Rescue (Nomex-Kevlar) Gloves, equivalent or better
7. Fire Fighting Head and Neck (Nomex-Kevlar) Hoods
8. Personal SCBA face mask (with prescription inserts for those employees who wear glasses.
9. Wildland Coveralls
10. Personal Alarms
11. Protective Hearing Devices
12. Protective Eye Wear
13. Disposable Gowns
14. Disposable Gloves
15. Disposable Hoods
16. Disposable Face Masks
17. Germicidal Washing Agents

All protective clothing shall be in compliance with OSHA, WISHA and other applicable State and Federal agency requirements.

## **12. WORKING OUT OF CLASSIFICATION**

At the direction of Management, a qualified Firefighter/EMT may act as the Shift Officer in the absence of a Lieutenant. Preference for this assignment will be given first to a qualified Firefighter/EMT on the current Lieutenant promotional list working their assigned shift; second to a qualified Firefighter/EMT on the current Lieutenant promotional list working a shift other than their assigned shift; third to a qualified Firefighter/EMT working their assigned shift; and finally, to a qualified Firefighter/EMT working a shift other than their assigned shift. If two or more qualified Firefighter/EMTs fall into the same category above, preference will be given to the qualified Firefighter/EMT with more seniority. The standards for the qualification under this article are provided in the Rules and Regulations based on agreement between the Union and the Airport as to those standards. A qualified Firefighter/EMT acting as the Shift Officer shall be paid an out of class premium of the difference between Step 5 Firefighter and Lieutenant pay for the hours worked in the position. This article does not apply to voluntary trading of shifts.

### 13. HOLIDAYS

Employees actually working on the holidays listed below will be compensated at a total of 2 ½ times their normal base pay (a premium of 1 ½ times pay in addition to their regular base pay) for the actual hours worked. Employees working such hours will receive a total of 2 ½ times pay for those actual hours worked regardless of whether they are working their regularly scheduled shift, trade time, overtime (i.e. no pyramiding), or on duty for any other reason. Employees on leave of any kind will not receive the premium. Employees on a light duty assignment will receive the holiday off.

<u>HOLIDAY</u>	<u>DATE</u>
New Year's Day	January 1
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	First Monday in September
Thanksgiving Day	Fourth Thursday in November
Day after Thanksgiving	Friday after Thanksgiving
Christmas Eve	December 24
Christmas Day	December 25
New Year's Eve	December 31

### 14. APPROVED LEAVES OF ABSENCE

#### A. Vacations

1. Employees shall accrue annual vacation time on a semi-monthly basis as follows:

<u>Years of Service</u>	<u>Hours of Leave</u>
Upon completion of first 6 mo.	60 hours
6 mo. – 59 mo.	5 hours semi-monthly
60 mo. – 119 mo.	6 hours semi-monthly
120 mo. – 179 mo.	7 hours semi-monthly
180 mo. – 239 mo.	9 hours semi-monthly
240 mo. or more	11 hours semi-monthly

2. Annual leave is earned and may be accumulated to a total of three-hundred eighty (380) hours of credit. Any leave in excess of that amount as of December 31 of each year will be forfeited unless the Employee, at direction of Employer, had to defer or postpone such use of leave, or if Employee was unable to take vacation due to illness, injury or disability. In such event the Employee will be paid for all leave in excess of three-hundred eighty (380) hours not later than January 31 based on the preceding calendar year wage rate.

3. Due to the change in total allowable accumulated annual leave from 400 hours to 380 hours as set forth in this agreement, employees whose annual leave balances exceed



380 hours as of December 31, 2023 will be paid for such hours, up to a maximum of 20 hours, not later than January 31, 2024 based on the preceding calendar year wage rates.

4. The Employer agrees that annual leave (vacation time) shall be distributed as follows. Leave will be selected electronically by members during the month of November. Seniority will not apply to leave selections. Seniority shall mean the Employee with the most years of employment in the Department in descending order to the Employee with the least years of employment. Rank shall not be considered for the purposes of leave selection.

5. Annual leave is not earned during any unpaid leave of absence; however, accrual shall resume upon return to paid status. Employee must be in pay status for 80% of the pay period to accrue annual leave for that pay period. An employee shall be considered in "paid status" for the purposes of this article whenever they are utilizing any form of paid leave.

6. Any employee who is laid off, discharged, retired, or separated from the service of the employer for any reason, shall be compensated in cash for the unused annual leave hours accumulated at the time of separation, not to exceed the maximum accrual of three-hundred eighty (380) hours. In the case of death, a payment will be made to the estate for the total amount of accrued annual leave hours, not to exceed the maximum accrual.

7. An Employee may, at the discretion of Employer, take a shift of unscheduled vacation. Such vacation can be tentatively scheduled in advance, but is subject to a call-in to determine availability of sufficient staffing for the shift. The call-in must be made to the supervisor on duty and cannot occur prior to 0600 or after 0615 on the day of the shift scheduled to be worked.

## **B. Sick Leave**

Any Employee who is absent from work due to illness or injury shall notify the shift supervisor on-duty as soon as possible, but not later than 0600 of the duty day to be missed. Sick leave may be taken for illness or injury of the Employee or for the care of Employee's sick or injured spouse, children or other immediate family members as provided by RCW 49.12.270 and other applicable state and federal laws. Sick leave may be taken for authorized purposes only, per the definitions outlined in RCW 49.46.210. Any discrimination or retaliation against an employee for lawful exercise of paid sick leave is prohibited. Employees will not be disciplined for the lawful use of paid sick leave.

Employer provides for family leave as required by State and Federal regulations detailed in the Family Medical Leave Act. Abuse of sick leave shall result in disciplinary action. Management may require a doctor's verification of illness or injury for absences of two or more consecutive shifts. Employer may require verification of fitness for duty by the Airport doctor.

LEOFF II Firefighters (employed as Firefighters after October 1, 1977) shall, upon employment, be advanced a credit of six (6) shifts of sick leave. If the employee successfully completes probation, any sick leave which was advanced during the probationary period but which was not used will be credited to the Employee's sick leave record.

The accrual rate for employees will be eight (8) hours per pay period or sixteen (16) hours per month.

Employees may carry over paid sick leave from calendar year to calendar year; provided, however, employees may not carryover more than 1,400 hours.

Unused sick leave will be paid at separation to the Employee or the Employee's estate, only when separation is due to death or LEOFF II retirement of the Employee. In those circumstances, all unused sick leave will be paid out in an amount equal to seventy-five percent (75%) of the amount accumulated up to the maximum accrual of 1,400 hours of unused leave.

Employees will utilize their sick leave benefit for job-related illness or injury. State industrial insurance payments made to the employee will be used to buy back sick leave from the employer. In no circumstance will an Employee collect Worker's Compensation benefits in addition to Sick Leave in excess of the Employee's base salary.

**C. Light Duty**

Light duty is provided upon approval by the Employee's physician of the following physical requirements, an Employee will report for light duty and perform the following job assignments. If an Employee reports for light duty and upon attempting any of the following tasks, he/she determines he/she is unable to function in that capacity, he/she is to report to his/her supervisor and will be relieved from duty. He/she may not return until further consultation and release by his/her physician.

1. ADMINISTRATIVE ASSIGNMENT
  - a) Answer Telephones
  - b) Transmit and monitor 2-way Radios
  - c) Assist Management in any or all administrative duties
  - d) Perform administrative duties on day shifts not to exceed 40 hours per week and will not decrease compensation. Day shifts shall include 8-5, 9/80, and 4/10's. The selection of which day shift shall be assigned will be at the employee's discretion.
2. Participation in Classroom Training
3. Employee will not be allowed to continue on a light duty status beyond a ninety (90) day period.
4. In the event there is not an adequate number of regular duty Firefighters to meet the normal response requirements, a regular duty Firefighter shall be scheduled in addition to the light duty Employee.

5. If anything in this article is in conflict with or overruled by the Spokane County Disability Board, the Washington State Retirement System, or the Washington State Labor and Industries, this article shall be subordinate to such rulings.

**D. Bereavement Leave**

In the event of a death in the immediate family of an Employee, the Employee shall be granted two (2) shifts off with pay. An Employee may be granted up to three (3) shifts off with pay, for special circumstances, at the determination of Management. Bereavement leave shall be charged against his/her sick leave.

The immediate family shall be defined as spouse and children of the Employee or spouse, and Employee's or Employee's spouse's mother, father, brother, sister and grandparents.

**E. Jury Leave**

1. The Employee will forward a copy of the jury duty summons to Management as soon as possible upon receipt.
2. When an Employee is selected for jury duty that is during his/her concurrent work schedule, the Employee will be excused from shift duty for actual time required by the Court for the selection process or as a jury member. Once released by the court, the Employee shall return to his/her shift assignment unless otherwise directed by Management.
3. Only the time missed from the Employee's work schedule will be compensable. The Employee will be paid only his/her current rate of pay. Overtime will not apply.
4. The Employee shall return any monetary compensation to the Employer which was received for jury services that occurred during the Employee's work schedule, excluding room, meal, and mileage compensations.
5. The Employee shall present evidence of participation as a jury member to Management for any time compensated by the Employer.

**F. Family and Medical Leave**

The Employer will provide leave in compliance with the Family Medical Leave Act of 1993 and any applicable State counterparts.

**G. Military Leave**

Military leave will be granted with pay in accordance with RCW 38.40.060, to Employees who are fulfilling an obligation as active members of either the Washington National

Guard or U.S. Reserves, not to exceed 21 days per year (October 1 – September 30). Supplemental military leave may be provided by the Airport Board.

Vacations or sick leave shall not be charged against an Employee who is a member of the Washington National Guard or U.S. Reserves taking military leave in accordance with the provisions of RCW 38.40.060, for which period a leave of absence shall be granted for not more than twenty-one (21) calendar days, with pay, each year.

**15. HOURS OF DUTY/OVERTIME/CALL BACK/HOLDOVER PAY**

**A. Hours of Duty - Shift Personnel**

In accordance with the Fair Labor Standards Act, the regular schedule will consist of sixteen (16) day work cycles. Normal hours of duty for employees shall be twenty-four (24) hours on, followed by seventy-two (72) hours off for an average of 42 hours per week or 2,190 hours annually. Shift times will start at 0700 and end at 0700 the following day. Employees may relieve each other coming on and going off duty not to exceed 15 minutes unless approved by the shift officer. A four platoon system shall be used, with staffing of three (3) bargaining unit members per shift, including the Shift Officer. The Shift Officer will ensure that there are always a minimum of three (3) bargaining unit members on duty by informing available bargaining unit members about shift vacancies, and then filling those vacancies by voluntary holdovers and voluntary overtime, in that order.

**C. Overtime/Call Back/Holdover Pay**

Employees may be required to remain on duty beyond their regular shift or to work hours in addition to regularly scheduled hours. Employees may be called back to work at multiple alarms or other emergencies. An Employee will be compensated for overtime work at the rate of one and one-half (1-1/2) times the regular hourly rate for hours worked in excess of 96 hours in each 16-day cycle in accordance with the Fair Labor Standards Act. Overtime will be earned in increments of one-half (1/2) hours. Overtime will be added to the payroll for the pay period during which the overtime is earned.

Where holdover beyond regular shifts results from tardiness of an oncoming Employee, the tardy Employee shall forfeit pay equivalent to that awarded to the Employee held over because of said tardiness. In the event Employee provides a legitimate excuse which is submitted and accepted the Employee will not forfeit any pay. In the event Employee disputes any proposed action by Employer regarding forfeit of the pay, Employer agrees to withhold action until such dispute is settled.

A minimum of three (3) hours worked shall be paid for call back.

**16. SHIFT ROTATION AND TRANSFERS**

Except for unforeseen circumstances or emergencies, Employees who are to be rotated or transferred to another shift shall be notified at least thirty (30) calendar days in advance. Employees who are scheduled for vacation and then transferred or rotated for the convenience of the Employer to another shift will be allowed vacation for the same time frame that was previously scheduled.

On or before October 1 of each year, the shift assignments for the following calendar year will be posted.

**17. TRADE TIME**

Employees are granted the right to trade shifts or exchange hours of duty, provided that whenever possible, they give written notice by 1600 hours of their last regular shifts preceding the exchange date, and such change does not interfere with the operation of the Fire Department. Such trades or exchanges shall be approved by both shift officers affected or Management of the Department.

Employees on probation shall not be allowed to trade shifts or exchange hours of duty except with prior approval of Management or their designee. All trades shall be repaid within a one (1) year period from the trade.

The Employee who accepts shift trades(s) assumes responsibility for that shift. No obligation, financial or otherwise, shall accrue to the Employer on account of such trade of shift or exchange of hours of duty. Management of the Department reserves the right to approve trades not otherwise allowed herein, if Management in their opinion, deems such trades(s) to be beneficial to the Employer or to the Department as a whole.

**18. EMPLOYEE/UNION GRIEVANCE PROCEDURE**

Grievances or disputes which may arise involving interpretation or application of this Agreement shall be settled in the following manner. This procedure is intended to foster the resolution of grievances as quickly and equitably as possible at the lowest possible level. All determinations to be made in accordance with this procedure shall be based on a full disclosure of the available facts by each of the parties involved in the alleged incident being grieved. An Employee has the right at every step of this grievance procedure to consult with a Union representative and have such representative present at any and all meetings or discussions provided for herein. Nothing herein precludes the right of an individual to waive representation by the Union as provided for in RCW 41.56.080 (Certification of bargaining representative---Scope of representation).

A. Step 1: An Employee or group of Employees which desires to implement the grievance procedure must file such grievance, in writing, with Management within thirty (30) calendar days of the alleged event, incident or occurrence or the date on which the Employee first become aware of it.

The written grievance shall include all available information regarding the alleged event, incident or occurrence, including but not limited to, parties involved, date and time of occurrence, basis for grievance; i.e. reference (Article and Section) in this Agreement of Rules and Regulations, and the remedy sought.

Management accepting such grievance shall attempt to resolve the grievance and shall present his/her determination regarding resolution of the grievance of the grieving Employee(s), in writing, within five (5) calendar days after receipt of the grievance.

B. Step 2: In the event the grieving Employee(s) is not satisfied with the determination of Management and if such Employee(s) desires to proceed with the grievance, the Employee(s) must, within five (5) calendar days, present the grievance, in writing, to the Chairman of the Union Grievance Committee. The Grievance Committee shall investigate the grievance to determine if, in its opinion, a grievance exists. The investigation by the Grievance Committee shall include determination of the facts through discussions with all parties and witnesses involved in the alleged incident. A determination by the Committee shall be presented within ten (10) calendar days after receipt of the grievance as follows:

1. If the Committee, in its opinion, determines that no grievance exists, the Committee shall submit its determination to the grieving Employee(s) and their supervisor(s) and no further action shall be taken by the Union.
2. If the Committee, in its opinion, determines a grievance exists, it shall submit its determination to the grieving Employee(s) and Management.

C. Step 3: Management shall attempt to resolve such grievance and present his/her finding, in writing, to the grieving Employee(s) and to the Grievance Committee, within ten (10) calendar days after receipt of the determination of the Grievance Committee. In the absence of Management, the Airport Chief Operating Officer will fill step three of the grievance procedure or the Airport shall forfeit that step in the Grievance Procedure.

D. Step 4: If the grieving Employee(s) is not satisfied with the determination of Management and if the Employee(s) wishes to proceed with the grievance, the grievance must be presented by the grieving Employee(s), in writing, to the Airport CEO/Executive Director, together with all available materials, within ten (10) calendar days of receipt of Management's determination. The Airport CEO/Executive Director shall attempt to resolve the grievance and shall present his/her determination, in writing, preferably within ten (10) calendar days, but no later than fourteen (14) calendar days to the grieving Employee(s) and the Union.

E. Step 5: If the grieving Employee(s) is not satisfied with the determination of the Airports CEO/Executive Director and if the grieving Employee(s) wish to proceed with the grievance, the Employee(s) must present, in writing, within ten (10) calendar days, a notice to the Union and Employer that the matter be submitted to arbitration at the election of the Employee or the Union. An impartial arbitrator shall be selected from a panel (strike list) provided by the Washington State Public Employment Relation Commission or the American Arbitration

Association. The parties shall within twenty-one (21) days of receipt of the list make a selection of an arbitrator.

The arbitrator shall render its decision based on the interpretation and application of this Agreement. Said arbitration shall take place in Spokane, Washington, and shall be final and binding upon the parties to the grievance.

In the event that the procedures outlined herein are not followed by the grievant, i.e. Employee, group of Employees proceeding under this article, the grievance shall be considered withdrawn and no further action shall be taken by either party, unless noncompliance was due to circumstances beyond the control of the grievant. In the event that the procedures outlined herein are not followed by the Employer in handling a submitted grievance, the grievance shall be deemed to be resolved in favor of the grievant. The time limits set forth herein may be extended if mutually agreed to by the parties involved. Nothing herein precludes the right of the individuals involved in the alleged incident being grieved to meet and verbally discuss the alleged incident in an attempt to resolve the issue. If at any time during the procedure set forth herein, the Employee or group of Employees desires to withdraw the grievance such notification shall be given, in writing, to Management, and the Union.

Neither the arbitrator nor any other person or persons involved in the grievance procedure shall have the power to negotiate new agreements or to change any of the terms and conditions of this Agreement. No settlement of a grievance with any Employee shall be contrary to the terms of this Agreement.

Nothing herein precludes the right of the Union to lodge a grievance in accordance with this Article.

## **19. MANAGEMENT RIGHTS**

Any and all rights concerned with the efficient management and operation of the Department are exclusively that of the Airport Fire Department Administration, unless otherwise provided through the terms of this Agreement. Management's right to hire, promote, demote, temporarily lay-off, or, for just cause, terminate employment, suspend or otherwise discipline Employee(s) is recognized. In addition Management has the right to assign work if it does not interfere with the fire service, and to determine the number of personnel to be assigned at any one time and to perform all of the functions not otherwise expressly limited by this Agreement.

## **20. TRAINING AND SAFETY**

All Fire Department activities and operations shall be in compliance with OSHA/WISHA safety rules and regulations and any other applicable law as mandated by the Federal Aviation Administration.

The Employer shall, if possible, provide relief at any major alarm or emergency and at any alarm or emergency which because of extreme weather conditions dictates such relief.

The Employer shall provide and require a minimum of advanced first aid training and certification for Employees covered by this Agreement. All other training shall utilize available and applicable Federal and State materials including but not limited to those provided by Washington State Fire Service Training, Federal Aviation Administration and International Fire Service Training Association.

If an Employee is directed or required by Employer to attend classes, training, etc., outside of scheduled working hours, Employer shall pay all direct expenses upon submittal of receipts/invoices.

An Employee desiring to attend classes or training not required by Employer may submit an application for reimbursement prior to registration to Management. Approval or disapproval will be made based on the value of such class or training to the goals of the department. Reimbursement for tuition, registration and books only will be made upon presentation of receipts for applicable fees and grade notices or documentation substantiating completion and/or a passing grade. Books purchased by the Employer become the property of the Airport. Employee may be required to present the course content to the other Employees.

**21. DEPARTMENT STAFFING**

The Employer agrees to maintain staffing pursuant to Article 15, employing 12 total bargaining unit members during the term of this Agreement. The Employer further agrees to make a good faith effort to fill any vacant position within 90 days of the effective date of the vacancy. Both the Employer and the Union agree to and recognize their joint responsibility in maintaining a staffing level of at least three (3) bargaining unit members on duty each shift at all times.

**22. DEPARTMENT RULES AND REGULATIONS**

The Employer may from time to time implement rules and regulations governing the operation of the Department. Any changes or additions to such rules shall be posted for a period of at least thirty (30) calendar days and shall be discussed with the Union prior to implementation. The Union agrees that its members shall comply with all properly adopted Fire Department rules and regulations, including those relating to conduct and work performance. The Employer agrees that noncompliance with Departmental rules and regulations which affect working conditions and performance of work shall be subject to the grievance procedure. Rules and regulations in effect shall be a formal part of this Agreement.

Working conditions not specifically addressed in this Agreement shall remain unchanged or affected unless changed by mutual consent.

All rules and regulations, as well as this Agreement, shall be reproduced and supplied to each Employee by the Employer within twenty (20) working days at no cost to the Employee.



**23. DRUG AND ALCOHOL ABUSE**

The Employer and Union mutually agree that the use of drugs, alcohol and other substances which impair the ability of an Employee to safely and effectively perform his/her duties is not in the best interests of the Employer, Union or the public safety. Therefore, the Employer and the Union agree to implement the policy and procedure referenced in Appendix B.

**24. PERSONNEL REDUCTION/SENIORITY/COMPENSATION**

In the event of lay-off or reduction in force the Employee with the least seniority shall be laid off first. All reductions will have sixty (60) days written notice except in the event of an airline strike whereby only 30 day notice is required. Employees shall be recalled in the order of their seniority. Recall period will be three years for rehire. After 18 months, the Employer may inquire via certified mail as to whether Employees on the recall list wish to be removed from the list. No Employee will be removed from the list as a result of such inquiry unless the Employee requests removal in writing. Any Employees rehired will be subject to examination (by Employer's physician) attesting to Employee's physical and mental fitness for duty.

Seniority shall be determined by continuous service in the Fire Department calculated from the date of employment. Continuous service shall be broken only by resignation, discharge or retirement.

**25. CONFORMITY TO LAW**

This Agreement and the interpretation of same shall be in accordance with all applicable State and Federal laws.

Employer decisions affecting personnel matters, including wages, hours and working conditions which may be peculiar to the Employees covered by this Agreement shall be subject to the grievance procedure as set forth herein.

**26. PAYROLL DEDUCTION**

A. The Employer agrees to deduct, once each month, dues assessments in an amount certified to be current by the secretary-Treasurer of the local Union from the pay of those Employees who individually request in writing that such deductions be made. The total amount of deductions shall be remitted, each month, by the Employer to the Treasurer of the Union. This authorization shall remain in full force and effect during the term of this Agreement.

B. Employee agrees that the Board may deduct from Employee's pay voucher, amounts due as a requirement under the law. (Law Enforcement Officers' and Fire Fighters' Retirement System); or as a result of provisions of this Agreement; i.e. retirement medical/dental insurance premiums, overtime costs incurred by the Board as a result of shift trade agreements; reimbursement to Board for excess or erroneous payments made to Employees for any reason. Employee will be notified of any proposed action by Employer regarding a deduction. In the event

of a dispute involving the deduction, Employer agrees to withhold action until such dispute is settled.

**27. NONDISCRIMINATION**

The Employer and Union agree that there shall be no illegal discrimination against employees based on race, sex, color, age, marital status, national origin, disability, or protected union activity. The grievance procedures of this Agreement shall apply to any dispute under this Article, provided, however, that prior to any arbitration, the employee shall have an election of remedies between arbitration and judicial or administrative remedies. If the employee elects arbitration, he or she must provide a written waiver of all other remedies and the arbitral forum shall provide the final determination of the dispute.

**28. PENSION AND RETIREMENT**

All Employees will come under the Washington Law Enforcement Officers' and Firefighters' Retirement System. All Firefighters employed prior to October 1, 1977 are classified as LEOFF I Employees and all Firefighters employed after October 1, 1977 are classified as LEOFF II Employees or another designation as established by applicable RCWs and shall be accorded the rights and privileges set forth in the applicable RCW.

**29. WSCFF MEDICAL EXPENSE REIMBURSEMENT PLAN**

A. Beginning on January 1, 2006, monthly contributions will be made on a pre-tax basis from the base salary of each employee to the WSCFF Employee Benefit Trust (the Trust). The Trust is established in accordance with applicable federal and state laws, and monies contributed to the Trust shall only be used for retiree health insurance premiums or health service expenses. This Trust shall remain separate and apart from any Employer retiree health insurance funding program unless it is mutually agreed otherwise by the Airport and the Union.

The contribution rate to the Trust will be the premium amount that is established by the Trust (which, as of January 1, 2006, is \$75 per month). Contributions to the Trust shall be deducted from the employee's paycheck on a pre-tax, bi-monthly basis (thus, currently two bi-monthly deductions of \$37.50 each will be made by the employer for this purpose), for a total of 75.00 into the MERP. The Union shall have the option to direct the Employer to adjust the contribution rate from time to time by duly notifying the Employer of changes that have been made in the Trust's premium rate. Contributions that are made to the Trust on behalf of Employees shall be included as salary for the purpose of calculating retirement benefits.

**B. Conversion of Sick Leave Cash-out/LEOFF Service Credit**

Upon the LEOFF retirement of an Employee, he or she shall have the option to cash out his or her sick leave, or have the option to buy LEOFF retirement service credits. Upon direction of the Employee, the Employer shall immediately take the total monetary value of the sick leave cash out benefit that the Employee has accumulated pursuant to Article 14 of this Agreement and shall contribute that amount into the account of the Employee's choosing.

C. Role of Employer

The Employer's role is administrative only. IAFF Local 29 and its members recognize this fact and agree to hold the Employer harmless and indemnify the Employer from any and all liability, claims, lawsuits, and /or any losses, damages, or injury to person or property, of whatsoever kind, arising from and if any related to the implementation and administration of the WSCFF MERP.

**30. PROMOTIONS**

In the event of a vacancy for the position of Lieutenant, the Employer shall test/promote senior Employees from within the Department in an impartial manner related to those matters, materials and training which will test fairly the candidate's ability to discharge the duties of the Lieutenant position. For the purpose of this Article, a senior employee is defined as having attained Step 5 pay status.

Reference materials shall be made available by Employer to all Employees for study purposes not less than ninety (90) calendar days prior to the examination procedures. All oral and written questions shall be pertinent to and reflect the operation of the Department.

Promotion to Lieutenant shall be based on the following:

Written Examination: 50%

Assessment Center: 50%

A list of all candidates scoring at least 70% on the written exam shall proceed to the oral portion of the exam process. The assessment center shall be given by a panel selected by Employer consisting of qualified people. At least one member of the Panel shall be a member of a professional firefighting department.

The examination process shall be conducted every two (2) years and a promotion list issued upon completion of the process. Such list shall remain in effect for two (2) years from the date of posting. All promotions shall be made from such list with Management selecting a candidate from the top three positions on the list. Any candidate passed over for promotion will be provided, in writing, the explanations for the decision. The intent of the explanation is to allow the employee the ability to identify the areas of improvement needed for promotion.

The promoted firefighter shall be on probation for a period of six (6) months. In the event the Probationary Lieutenant does not successfully complete the probation, he/she shall return to their previous position with downward adjustment in pay. In such event, Management will select another candidate from the top three positions of the current promotion list in place.

In the event of a vacancy due to an illness or injury which is anticipated to prevent the Lieutenant from returning to duty for a period exceeding six (6) months, a top candidate shall be promoted to the Lieutenant's position on a temporary basis. The determination that an employee is anticipated to be out more than six (6) months shall be based on: 1. nature of disability; 2.

prognosis issued by employee's physician; 3. input from employee; and 4. prognosis issued by Employer's physician.

If the Lieutenant on disability returns to duty in accordance with the applicable RCW's, he/she shall not have any reduction in rank or compensation.

**31. SUPPLEMENTAL AGREEMENT**

This Article shall be used only for the purpose of discussing non-cost items. Topics relating to maintenance of contract provisions shall be negotiable under this Section.

This Agreement may be amended, provided both parties concur. Supplemental agreements thus completed will be signed by the responsible Union and Employer.

Supplemental agreements thus completed shall become a part of the larger Agreement, and subject to all of its provisions.

**32. AGREEMENT BINDING ON SUCCESSORS**

This Agreement and the renegotiation of this Agreement, shall be binding upon the successors and assigns of the parties hereto, and no article, provision, term, or obligation herein contained shall be affected, modified, altered or changed in any respect whatsoever by the consolidation, merger, annexation, transfer, or assignment of either party hereto, or by any change geographically or otherwise in the location or place of business of either party hereto.

**33. LAWSUITS/LIABILITY**

In accordance with Airport Board resolution, the Employer shall assume all liability costs, expenses, and shall indemnify any Employee(s) for any action brought against them as a result of good faith performance of duties for or employment with the Airport. The Employer shall grant the appropriate leave with pay and appropriate overtime in the defense of any such action.

**34. VENUE**

This Agreement is to be construed in accordance with the applicable laws, rules and regulations of the United States of America, the State of Washington and the County of Spokane.

**35. SAVING CLAUSE**

If any provision of this Agreement or the application of such provisions should be rendered or declared invalid by any court action or by reason of any existing or subsequent enacted legislation, the remaining parts or portions of this Agreement shall remain in full force and effect.

**36. PARAGRAPH HEADINGS**

Paragraph headings contained herein are for convenience in reference only, and are not intended to define or limit the scope of any of the provisions of this Agreement.

**37. NOTICES**


All payments, demands and notices herein shall be deemed to be properly served if hand delivered, or if sent by registered or certified mail, postage prepaid, to the last address previously furnished by the parties hereto. Until hereafter changed in writing, notices shall be sent to the following:

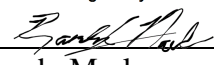
BOARD:	SPOKANE AIRPORT BOARD 9000 Airport Rd., Ste. 204 Spokane, WA 99224	UNION:	UNION LOCAL 29 911 E. Baldwin Ave. Spokane, WA 99207
--------	--	--------	--

The date of service of such notice shall be the date such notice is deposited in a post office of the U.S. Post Office Department.

**38. SIGNATURES**

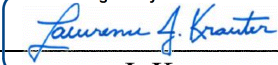
INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS  
LOCAL #29

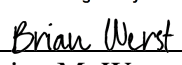
DocuSigned by:  
  
 \_\_\_\_\_  
 Matthew Meeker  
 Vice-President

DocuSigned by:  
  
 \_\_\_\_\_  
 Randy Marler  
 President

SPOKANE AIRPORT BOARD

APPROVED AS TO FORM

DocuSigned by:  
  
 \_\_\_\_\_  
 Lawrence J. Krauter  
 Chief Executive Officer

DocuSigned by:  
  
 \_\_\_\_\_  
 Brian M. Werst  
 General Counsel

**APPENDIX A**

**2024 Wage Schedule  
Local 29 – Airport ARFF Unit  
(2,190 annual hours)**

	HOURLY RATE*	ANNUAL PAY
Step 1	29.25	64,057.41
Step 2	33.56	73,489.48
Step 3	36.26	79,416.06
Step 4	39.20	85,847.02
Step 5	42.35	92,757.15
LIEUTENANT	49.13	107,598.29
*The Hourly Rate shown in this column is calculated by dividing the Annual Pay amount by the annual hours.		

Annual Pay will increase 1.5% effective January 1, 2024 (as reflected in the table above).

There will be a wage differential of 16.0% maintained between Step 5 Firefighter and Lieutenant for the term of this contract.

Additionally, a one-time lump-sum payment of \$6,550 will be made to all Employees who are members of the Department at the time of contract ratification, in conjunction with a regularly scheduled pay day, within 60 days of the date of signing of the agreement.

**APPENDIX B**

**Spokane International Airport Fire Department**

**Effective Date: January 1, 2015**

**TITLE: DRUG AND ALCOHOL TESTING FOR NON-CDL EMPLOYEES**

1.0 GENERAL

1.1 Drug addiction and alcohol abuse cost employers over a billion dollars per year. Those costs show up in higher accident rates, higher workers' compensation costs, greater absenteeism, and increased costs for health insurance. In an effort to stem that rising tide, the Drug Free Workplace Act of 1988 was implemented.

1.2 TABLE OF CONTENTS

1.0	GENERAL
2.0	DEPARTMENTS/DIVISIONS AFFECTED
3.0	REFERENCES
4.0	DEFINITIONS
5.0	POLICY
6.0	PROCEDURE
7.0	RESPONSIBILITIES
8.0	APPENDICES

2.0 DEPARTMENTS/DIVISIONS AFFECTED

This policy shall apply to all Spokane International Airport Fire Department personnel.

3.0 REFERENCES

41 U.S.C. 701

4.0 DEFINITIONS

**Safety sensitive position:** A job position or function in which drug or alcohol impairment could threaten public health or safety. All Spokane International Airport Fire Department positions, including any supervisory or management positions, are considered to be safety sensitive.

**Reasonable suspicion:** A supervisor's determination that an on-duty employee is under the influence of unauthorized drugs and/or alcohol. The Employer's determination shall be based on specific, articulated observations concerning the appearance, behavior, and speech and/or body odors of an on-duty employee and shall include, at a minimum, a written report documenting objective, measurable changes in the employee's work performance due to unauthorized drug and/or alcohol use. Signs of impairment may include, but are not limited to, slurred speech, difficulty walking, clumsiness, dilated pupils, watery and/or red eyes.

**Medical Review Officer:** A person who is a licensed physician and who is responsible for receiving and reviewing laboratory results generated by an employer's drug testing program and evaluating medical explanations for certain drug test results. At the present time the Airport contracts with Occupational Medicine Associates to fill this function.

## 5.0 POLICY

5.1 The Spokane International Airport Fire Department (Fire Department) has a significant interest in ensuring the health and safety of its employees and the public that it serves. In furtherance of that interest, it is the policy of the Fire Department to take those steps necessary to ensure that its employees are free of the influence of alcohol and drugs while in the performance of their duties. Prospective employees who have been given a conditional offer of employment with the Fire Department in a public safety or safety sensitive position shall pass a post-offer pre-placement physical examination which will include a drug test.

5.2 There shall be a required drug and/or alcohol test for an employee when there is reasonable suspicion that the employee is under the influence of alcohol or drugs while on duty.

### 5.3 Drug Testing of Prospective Employees

5.3.1 Applicants for public safety or a safety sensitive position, who have been given a conditional offer of employment with the Fire Department, shall be informed that a condition of employment may include passing a drug test as part of the post-offer pre-placement physical examination. Applicants who refuse to take the drug test or who test positive shall be considered ineligible for Fire Department employment for one (1) year.

5.3.2 An applicant who wishes to challenge a positive drug test must do so within twenty four (24) hours of notification of the positive result. The applicant must notify the Airport's medical review officer that he/she wishes to challenge the test and must pay for the retest. The retest must be processed at a Department of Health and Human Services (DHHS) certified laboratory. If the retest is in favor of the applicant, the Airport shall reimburse him/her the cost of the retest.

### 5.4 Drug and Alcohol Testing of Employees

5.4.1 Where there is a reasonable suspicion that an employee is under the influence of alcohol or drugs while on duty, the supervisor shall have a representative of Airport management and a Union Representative observe the employee in question. If the suspicion is confirmed, the employee shall be required to take a drug and/or alcohol test.

5.4.2 An employee who tests .04 or greater on a breath alcohol test or who tests positive for a controlled substance shall not be permitted to return to work until he/she has been evaluated and complied with any rehabilitation recommended by a qualified substance abuse professional. A list of names will be provided by the Human Resources Department. There shall be a pre-disciplinary hearing convened to determine the appropriate course of action. Also before returning to work, the employee must have a negative result on a return to duty alcohol and/or drug test (depending upon which was failed), and must sign a return to work contract with the Airport for a period of time not less than two (2) years nor more than five (5) years. If there should be a further violation during the contract period, the initial violation that gave rise to the contract will be coupled with the second violation, and the employee



shall be subject to disciplinary action up to and including discharge for the two (2) violations. Conversely, if the employee completes the program and there is no further violation within two (2) years of the end of the contract, there shall be no record kept of the offense giving rise to the pre-disciplinary hearing.

- 5.4.3 An employee who has a breath alcohol reading greater than .00 but less than .04 shall not be permitted to return to work until the supervisor contacts a representative of Airport management and the employee's Union Representative to determine the employee's appropriate duty status during the upcoming hours. If the decision of the supervisor is to return the employee to work, the employee must not operate vehicles or power equipment.
- 5.4.4 No employee shall deliberately adulterate a urine sample, refuse to take a directed alcohol or drug test or refuse to provide urine. If the employee should refuse to take an alcohol test, there will be a presumption that the employee has a positive reading of .04 or greater alcohol concentration. If the employee should refuse to take a drug test or to provide urine, or if the employee deliberately adulterates a urine sample, there shall be a presumption that the employee tests positive for a controlled substance. There shall be a pre-disciplinary hearing convened to determine the appropriate course of action.
- 5.4.5 An employee who wishes to challenge a positive drug test must do so within twenty four (24) hours of notification of the positive result. The employee must notify the Airport's medical review officer that he/she wishes to challenge the test and must pay for the retest. The retest must be processed at a DHHS-certified laboratory. If the retest is in favor of the employee, the Airport shall reimburse him/her the cost of the retest.
- 5.4.6 Test results will be kept confidential.
- 5.4.7 If the test results are negative, the fact that tests were given may not be used in the discipline or grievance process.
- 5.4.8 Periodic training of supervisors and employees on drug and alcohol abuse will be provided by the Human Resources Department.
- 5.5 Notification/ Results of Drug / Alcohol Test
  - 5.5.1 Drugs. Persons who test positive for drugs are notified by the Airport's medical review officer. Persons who take a drug test and do not hear from the Airport's medical review officer within three (3) working days and who wish to know their result may contact the medical review officer's office or the Human Resources Department. Copies of drug-test results will be provided to those who apply in person (with proper ID) at the medical review officer's office.
  - 5.5.2 Alcohol. Persons taking a breath-alcohol test are notified immediately, and given a copy of the test results.
  - 5.5.3 Notification to employer. Employee has up to 5 days to notify the Employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the work place no later than five calendar days after such conviction.
- 5.6 Use, Sale or Possession
  - 5.6.1 The illegal use, sale, or possession of drugs, controlled substances, or alcohol on Airport premises or property or while on Airport time constitutes grounds for dismissal.

5.7 Operation of Equipment Prohibited

5.7.1 Under no circumstances should a supervisor allow an employee who appears to be under the influence of alcohol or drugs drive any vehicle. If the supervisor is unable to stop the employee from driving, the supervisor should immediately notify the Airport Police.

5.8 Prescription Drugs

5.7.2 It is the responsibility of the employee to notify their supervisor if they are taking medication prescribed by their physician which may compromise the ability of the employee to safely perform their assigned job functions.

6.0 PROCEDURE

None

7.0 RESPONSIBILITIES

7.1 The Human Resources Department shall be responsible for administering this policy.

8.0 APPENDICES

None

**APPENDIX C****MEDICAL INSURANCE**

Memorandum of Understanding  
 Between Airport Firefighters and Spokane Airports  
 Spokane Fire Fighters (Local 29) Benefit Trust

The Spokane Airports ("Airport") and IAFF Local 29 ("Union") enter into the following agreement (the "Agreement") concerning health care coverage for bargaining unit employees, their spouses, qualified domestic partners, and dependents. It is the goal of the parties that this agreement will provide a long-term framework for bargaining unit health care coverage. Through this agreement, the parties seek to 1.) meet the welfare benefit health care needs of employees, their spouse, qualified domestic partners, and dependents; 2.) provide greater collective consumer choice, control, and accountability; 3.) Participate in a plan that is financially stable and in compliance with all applicable state and federal regulations.

I. Coverage and the Provider

- A. The Union has created a trust (the "Trust"), with the Trustees determined by the Union. All Airport health insurance contributions (the "Trust Contributions") made on behalf of the Airport Firefighters will be made to the Trust.
- B. All of the Trust Contributions made by the Airport will be contributed to the Trust, and will be used only for the purpose of providing health care and other benefits that are permitted under the rules and regulations of the Internal Revenue Service adopted pursuant to Code Section 501(c)(9) ("Health Care Benefits"). The Trust will give notice to the Airport within 60 days of implementation if any Trust Contributions from the Airport are used for purposes other than benefits that are generally exempt from income and payroll taxes, but that may otherwise be permitted under Code Section 501(c)(9).."

The primary purpose of establishing the Trust is to fund health and welfare benefits to members, their spouses, qualified domestic partners, and dependents. The Airport recognizes that the Trust will incur administrative expenses, including broker fees, related to providing such coverage, and the Trust Agreement allows the Trust assets to be used for such purposes. The Trust will contract with a licensed third party administrator ("TPA"), as may be needed, to administer the Trust, which may include the payment of claims. Upon request, the Trustees

will provide the Airport with a copy of the Trust's annual audit (or other financial statement in the event that an audit is not required under ERISA), which shows that monies have been used for these purposes, and that all expenditures were made for the purpose of providing Health Care Benefits.

- C. All health insurance decisions, including but not limited to, the level of coverage, who is covered, and the amount to be paid by employees, their spouses, qualified domestic partners, and dependents, will be made by the Trust. It is agreed that the Airport is not taking any claims risk, and the sole responsibility of the Airport is to pay the required Trust Contributions. All decisions related to the health and welfare benefits for the Union will be made by the Trust.
- D. The Trust, either directly or through its advisors, is expected to: (1) put in place a contract for either a fully insured medical plan or suitable stop loss insurance if self-insured plan is developed; (2) contract with a qualified professional to determine appropriate reserves; (3) contract for fiduciary liability and/or errors and omissions insurance in an amount as reasonably determined by the Trustees; (4) put in place a fidelity bond covering all persons who handle plan assets.

## II. Trust Contributions

- A. The Airport's Trust Contribution is calculated based upon the following negotiated amounts:

Beginning January 1, 2024, the monthly contribution amount will be \$2,588.64.

- B. All Trust Contributions must be made to the Trust by the 25th day of the month or three days after the second pay day of each month, whichever is later, for the following month's coverage, with the exception that the first Trust Contribution will take place on November 1, 2015. Trust Contributions will be made for each Local 29 represented employee that is on the payroll (and not in an unpaid leave of absence status) as of the first of that month.

An employee becomes eligible for medical on the 1<sup>st</sup> day of the month following their date of hire. Upon return from layoff, medical leave, or military leave, eligibility begins the 1<sup>st</sup> day of the month following the return.

- C. If the Airport is delinquent in submitting contributions to the Trust, the Airport shall pay the Trust interest at a rate of 12% (twelve percent) per annum.

- D. In the event the Trust determines that employee contributions to health care coverage are required the Airport will make deductions from payroll upon request. Where required, written authorization from employees to allow for a pre-tax deduction pursuant to a cafeteria plan under Code Section 125 will be provided to the Airport prior to the time deductions are made. The parties will determine a procedure that facilitates this process, allows for pre-tax deductions where appropriate, and minimizes the administrative burden on the Airport.

### III. Transition

- A. The switch to the Trust-based plan will be made in November 2015, assuming an orderly transition from existing coverage can be achieved.
- B. The parties acknowledge that the Trust is formed under Code Section 501(c) (9) and is treated as a "union sponsored" benefit plan that is generally regulated under ERISA. On-going regulatory oversight will be provided by the U.S. Department of Labor under authority granted by Title I of ERISA.
- C. The standard "transition" rules applicable in the insurance industry when an employer changes from one health plan to another will apply. All services incurred on or after the Transition Date will be the responsibility of the new plan.
- D. Bargaining unit employees/dependents on COBRA coverage (offered pursuant to federal requirements) as of the Transition Date will be moved to the new plan. The new plan will have responsibility for all COBRA coverage (pursuant to federal requirements) initiated on or after the Transition Date.
- E. The Airport and the Trust will work together to determine how best to ensure a smooth and orderly transition. This will include notification concerning a change in an employee's eligibility status (termination of employment, going on a leave, etc.), determination of who will answer employee questions, and how best to explain coverage to new employees. Unless otherwise agreed, these tasks will be the responsibility of the Trust, the TPA, and/or the broker hired by the Trust.
- F. The Trust and the Airport will work together to provide to the employee and the taxing authorities appropriate tax reporting forms for any employees receiving benefits that are considered taxable or for developing procedures that allow the value of such Trust-based medical coverage to be reported on IRS Form W-2 for participating employees. Where feasible, the Airport will report the value of any

Trust provided coverage as part of its payroll reporting process, based on information provided by the Trust.

If on-going reporting by the Airport is not feasible, and the Trust files quarterly federal tax returns for any related payroll taxes, the Airport shall fund the "employer" portion of any required payroll taxes (e.g. employer share of Medicare) associated with taxable medical, dental, and vision benefits, including those that may be payable with respect to a domestic partner coverage. In no event, will the Airport be responsible for any required payroll taxes beyond what the Airport is currently responsible for. The Trust shall separately bill the Airport for any such payroll taxes that may be due.

#### IV. Legal

- A. In the event of any penalties, surcharges or taxes imposed upon the Airport that are directly related to the provision of Health Care Benefits under this Agreement (such as through PPACA), either the Trust will pay the penalty, surcharge or tax directly, or the Airport will pay and deduct that amount (other than the employer portion of any required payroll taxes as referenced in 111.F.) from the Trust Contributions due the following month (or months).
- B. The Trust will comply with all applicable state and federal laws. Without limiting the foregoing, this includes the Washington State Privacy Act, HIPPA, COBRA, and PPACA.
- C. The Airport is not responsible (including fiduciary responsibility) for any of the actions of the Trust. The Trust will defend, indemnify and hold harmless the Airport from any and all liability that relates in any way to the operation of the Trust or providing Health Care Benefits to employees, their spouses, qualified domestic partners, and dependents. Without limiting the foregoing, the Trust will defend, indemnify and hold harmless the Airport from any and all liability relating to claims that are the responsibility of the Trust. In the event the Trust has insufficient assets to perform its obligations under this Agreement, the Union will defend, indemnify and hold harmless the Airport from any and all liability relating to the operation of the Trust.
- D. The Union shall provide the Airport with written documentation signed by a Trust officer with authority to bind the Trust, confirming that the Trust will comply with and be bound by the provisions of this Agreement and administer Trust Contributions in accordance with the Trust Agreement. A copy of the Trust Agreement will be provided to the Airport prior to the Transition Date.

V. Information

- A. The Airport will be provided with a copy of an annual audit (if required) within one hundred fifty (150) days of the end of each fiscal year of the Trust or within 30 days after such audit is filed with the U.S. Department of Labor as part of the Trust's annual Form 5500 filing.
- B. The Union will provide the Airport with sufficient information to bargain concerning the ongoing operation of the Trust, consistent with RCW 41.56.

VI. Dispute Resolution

- A. The parties will utilize binding arbitration in order to resolve any dispute between the Union and/or the Trust and the Airport concerning the terms and provisions of this agreement. In the event of such a dispute, the parties will first attempt to mutually agree upon an arbitrator. In the event no agreement is reached, the arbitration provisions contained in the bargaining agreement will be utilized to select the arbitrator. In any arbitration, the arbitration provisions of the bargaining agreement will be utilized to conduct the arbitration.

VII. Miscellaneous

- A. The Airport and the Trust (or its authorized agents or advisors) will work together in good faith to develop a strategy for communicating with employees concerning the transition and plan administration, as well as the exchange of information necessary on an ongoing basis.