

**Port of Seattle  
Seattle-Tacoma International Airport  
Airport Dining & Retail Program  
Competitive Evaluation Process - Lease Group 5  
(Packages FB-1, FB2, SR-1, SR-2, PS-1, AND PS-2)**

**Addendum No. 3**

**(Issued August 16, 2019)**

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**PLEASE ACKNOWLEDGE RECEIPT AND REVIEW OF THIS ADDENDUM BY  
COMPLETING AND INCLUDING THE ATTACHED LEASE GROUP 5 CEP  
ADDENDUM NO. 3 CONFIRMATION IN YOUR PROPOSAL**

This addendum includes the following corrections and clarifications for all CEP packages within Lease Group 5:

**Action I: SECTION I: INTRODUCTION**

Section 1.3.4 of the Minimum Qualifications is deleted in its entirety and replaced as follows:

1.3.4 The Port has a significant proprietary interest in the success of the ADR program and so it is in the Port's economic interest to eliminate disruptions to its tenants' operations due to labor disputes that can also negatively impact customers using the Airport as well as airline operations. Therefore, all non-exempt Proposers (exempt Proposers are defined below) must submit with their Proposal evidence that the Proposer has (1) (under Section 1.3.4.1) entered into, or (2) will (under Section 1.3.4.2) if requested by a Labor Organization enter into, a "Labor Peace Agreement" that: (a) applies only to Proposer's ADR operations at the Airport, (b) requires that the Port's ADR program is free from labor-related disruption of services both as to the ADR program and the general operation of the Airport, and (c) is not inconsistent with the requirements of this CEP/RFP or the L&C Agreement. The Labor Peace Agreement must be between the Proposer and a labor organization that seeks to represent employees in the ADR program ("Labor Organization") and must remain valid and in effect for the duration of the L&C Agreement with the Port. The details of a Labor Peace Agreement are between the Proposer and applicable Labor Organization. Thus, the Proposer must not submit its Labor Peace Agreement to the Port.

Nothing in this Section 1.3.4 shall be construed as requiring a Proposer, through arbitration or otherwise, to change terms and conditions of employment for its employees, recognize a labor organization as the bargaining representative for its employees, adopt any particular recognition process, or enter into a collective bargaining agreement with a labor organization to comply with this provision.

To satisfy this requirement, all non-exempt Proposers must comply with either Section 1.3.4.1 or Section 1.3.4.2 below:

#### 1.3.4.1 Evidence of a Signed Labor Peace Agreement.

Submit with their proposal a letter on the Proposer's letterhead using the template language provided in **Exhibit 3** confirming that they have a Labor Peace Agreement that meets the requirements of Section 1.3.4. This letter must be signed by the Proposer and a representative of the Labor Organization.

While a copy of the actual Labor Peace Agreement must not be provided to the Port, Proposers must ensure that the entity (or entities) being bound by the Labor Peace Agreement is the same as the entity that is proposing for this leasing opportunity (and, as applicable, any member, owner or other affiliate of Proposer which is or will be the employer of the employees who will work at Proposer's proposed ADR concession business at the Airport) (an "Affiliated Employer"). For example, if the Proposer is a joint venture, but a member of the joint venture will be the actual employer of the employees who will work at the Premises in operation of the proposed concession and thus an Affiliated Employer, the entities to be bound to the Labor Peace Agreement (other than the Labor Organization) must be the joint venture entity itself as well as the joint venture member; or

#### 1.3.4.2 Agreement to Enter Into Labor Peace Agreement After Award.

Submit with their proposal a signed letter on the Proposer's letterhead using the template language provided in **Exhibit 3A** certifying that **if awarded the Package**, the Proposer agrees to enter into a Labor Peace Agreement with a Labor Organization that requests a Labor Peace Agreement through the following process:

The Proposer will (a) commence negotiations with a Labor Organization that requests, in writing, a Labor Peace Agreement and make its best efforts to enter into a Labor Peace Agreement within 60 days following Proposer's receipt of such request; (b) if the Proposer and Labor Organization are unable to agree to a Labor Peace Agreement within that time, they must submit the dispute within 10 days to mediation with the American Arbitration Association ("AAA") or a mediation service mutually agreed upon by the Proposer and the Labor Organization to assist the Proposer and the Labor Organization in reaching a reasonable Labor Peace Agreement consistent with the provisions of this Section 1.3.4 within 30 days; and (c) if the Proposer and Labor Organization are unable to reach a Labor Peace Agreement through mediation within that time, they must submit the dispute within 10 days to the AAA for final and binding arbitration conducted in accordance with the AAA Labor Arbitration Rules and Expedited Labor Arbitration Procedures or an expedited arbitration service mutually agreed upon by the Proposer and the Labor Organization that can

complete the arbitration within 45 days after the initial submission of the dispute to the arbitration service. The arbitrator must issue an award establishing the terms of a reasonable Labor Peace Agreement consistent with the provisions of this Section 1.3.4, for execution by the Proposer (and, as applicable, the Affiliated Employer) and the Labor Organization. The Proposer and the Labor Organization must share equally the costs of mediation and arbitration unless they agree otherwise.

Once a Labor Peace Agreement is executed, the Proposer must submit a letter on the Proposer's letterhead using the template language provided in **Exhibit 3B** confirming it has a Labor Peace Agreement that complies with Section 1.3.4. This letter must be signed by the Proposer and a representative of the Labor Organization.

While a copy of the actual Labor Peace Agreement must not be provided to the Port, Proposers must ensure that the entity (or entities) being bound by the Labor Peace Agreement is the same as the entity that is proposing for this leasing opportunity (as well as, as applicable, any Affiliated Employer). For example, if the Proposer is a joint venture, but a member of the joint venture will be the actual employer of the employees who will work at the Premises in operation of the proposed concession and thus an Affiliated Employer, the entities to be bound to the Labor Peace Agreement (other than the Labor Organization) must be the joint venture entity itself as well as the joint venture member.

The requirements of this Section 1.3.4.2 will be further defined in the L&C Agreement, and failure to satisfy these requirements may result in termination of the award and/or a default under the L&C Agreement.

1.3.4.3 Small businesses (as determined by the U.S. Small Business Administration criteria), that will have 35 or fewer badged airport employees at the Airport, with the award of any package(s) in this solicitation, will be exempt.

1.3.4.4 Labor Organizations that represent Food and Beverage Concessions and/or Specialty Retail and Passenger Service Concessions include, but are not limited to:

1.3.4.4.1 Food and Beverage Concessions

UNITE HERE, Local 8

Mr. Stefan Moritz, Director of Strategic Affairs

Telephone (206) 470-2992

1.3.4.4.2 Specialty Retail and Passenger Service Concessions

UFCW 21

Mr. Mike Rodriguez, Researcher

Telephone (206) 409-3057

## **Action 2: SECTION I: INTRODUCTION**

Section I.6 Investment Incentive Payment is deleted in its entirety and replaced as follows:

### **I.6 INVESTMENT INCENTIVE PAYMENT:**

The Port has a strong proprietary interest in procuring qualified and capable businesses to successfully build out and operate dining or retail establishments at the Airport as part of the ADR program. The ADR program provides significant economic opportunities for the region and generates important revenue that is reinvested in the Airport.

In order to satisfy the broad financial and operating goals of the ADR program, it is critical for the Port to obtain the highest quality, number and diversity of proposals for its benefit in order to foster robust competition and allow it to identify a variety of excellent businesses, including small businesses and ACDBE firms. The Port also has a strong proprietary interest in preventing disruptions due to labor disputes at the Airport, which would have significant negative impacts on airport operations, the traveling public, dining and retail services, and revenue under the ADR program. To address this issue, the Port in 2017 implemented a requirement for each proposal by a business with more than 35 airport employees to include confirmation of a labor peace agreement, which is a direct benefit to the Port's important proprietary interest in preventing disruption.

As a pilot program for Lease Group 5, the Port is offering an investment incentive payment in the amount of Five Thousand and 00/100 (\$5,000.00) Dollars to each unsuccessful proposer that submits a fully Responsive, Responsible, and Competitive proposal for a CEP opportunity. No Proposer will be entitled to reimbursement of any of its costs in connection with the CEP except as specified in this Section. Successful proposers will not be eligible for an investment incentive payment. Each individual proposing entity will be eligible for only one such payment as part of Lease Group 5. For a Proposer/proposal to be Responsive, Responsible, and Competitive it must meet all of the following standards:

**Responsive:** The proposal must conform in all material respects to the requirements of the CEP, as determined by the Port, and must be timely received by the Port.

**Responsible:** The Proposer must meet all minimum requirements in the CEP and be otherwise qualified, as determined by the Port, to execute and perform an L&C Agreement for the CEP lease opportunity for which Proposer submitted a proposal.

**Competitive:** A proposal will be deemed Competitive if it satisfies all of the following:  
(1) the proposal's total score is at **least Seven Hundred Fifty (750) points**;  
(2) the proposal's total score is within **40% of the highest score** (not including any points awarded as a result of an interview) in the CEP for which the proposal was submitted; and

(3) the proposal **does not score less than Fifty (50) points in any of the seven major evaluation categories** (Background, Experience and Financial Capability; Concept Development; Unit Design, Materials and Capital Investment; Financial Projections and Financial Offer; Management/Staffing, Operations, Customer Service, and Environmental Sustainability; Job Quality, Workforce Training, and Employment Continuity; and Small Business Participation).

In exchange for the investment incentive payments, the Port will receive, among other things, fully Responsive, Responsible and Competitive proposals, including where required by the CEP confirmation of labor peace agreements or binding obligations to follow the prescribed process, which includes if necessary participation in mediation and arbitration, to enter into such agreements if requested by a labor organization, and the non-proprietary concepts and ideas in the proposals. The payments will significantly benefit the Port through its acquisition of proposals that are high in quality, number and diversity, such that through robust competition it will be able to select a mix of outstanding and diverse businesses. The Port also gains the substantial benefit and protection of having labor peace agreements in place where required by the CEP at the outset or after award through a binding obligation to enter into such agreements if requested, so there is certainty that the selected Proposer will take the necessary steps to prevent labor disruption at the Airport. In addition, the Port will obtain the right to use non-proprietary concepts and ideas in the proposals to inform and enhance its planning for dining and retail operations.

To be eligible for an investment incentive payment, in addition to the criteria stated above, the Proposer must return with its proposal the executed “Investment Incentive Agreement” that is included as Exhibit 6, and must satisfy the requirements stated therein, including submitting the required Investment Incentive Payment invoice and other supporting information. Payments will be made to eligible Proposers that are not selected within 45 days after the execution of the L&C Agreement for this opportunity.

#### Special Circumstances:

- If the Port cancels this solicitation before proposals are due, Proposers will not be eligible for and will not receive an investment incentive payment.
- If a proposer is awarded the contract as a result of this CEP but is unwilling or unable to execute an L&C Agreement, such proposer will not be eligible for and will not receive an investment incentive payment.
- If the Port cancels the CEP after proposals are due, all proposals that are deemed by the Port to be Responsive, Responsible, and Competitive will be eligible to receive an investment incentive payment.

**Action 3: SECTION 3: PROPOSAL SCHEDULE**

The schedule provided is deleted in its entirety and replaced as follows (note changes in the affected dates are highlighted for reference):

ACTIVITY	TARGET DATE
Release of CEP	June 18, 2019
Pre-Proposal Meeting	July 9, 2019 & July 18, 2019
Last Day for Pre-Proposal Protest in accordance with Section 7.12.2.1	September 5, 2019
Written Questions Due	July 31, 2019
Written Questions Concerning Addendum No. 3 Due	August 23, 2019
Response to Written Questions Posted	August 16, 2019
Response to Written Questions Concerning Addendum No. 3 Posted	August 30, 2019
CEP Packages Due	September 25, 2019
Last Day to Withdrawal Proposal without Penalty	October 2, 2019
Interviews (if necessary)	October 2019
Award	Q1 2020
Last Day for Post-Proposal Protest in accordance with Section 7.12.2.2	4 business days after the date the notice of Award
Lease Execution	60 Days after Award Notification

The Port reserves the right to change any of these dates, as it deems necessary in the Port's best interest.

**Action 4: SECTION 7 INSTRUCTIONS TO PROPOSERS**

Section 7.12.2.1 is deleted in its entirety and replaced as follows:

7.12.2.1 Pre-proposal Protests (Protests based on the form or content of the CEP documents):

Any Protest based on the form or content of the solicitation documents included with the CEP or any addendum (including, but not limited to, any terms, requirements and/or restrictions therein) must be filed with the Port as soon as practicable at: Port of Seattle, Seattle-Tacoma International Airport, Aviation Office Building, 17801 Pacific Highway South, Seattle, Washington 98158, Attention: Dawn Hunter. This is the point where prospective Proposers must raise any concerns relating to the criteria for award published by the Port. Protests challenging the criteria shall not be considered post-award. The transmittal envelope must clearly identify the CEP number on its face and be labeled as a "Protest." **No protest based on the form or content of the solicitation documents will be considered if received by the Port after 5:00 pm Pacific time on September 5, 2019.**

**Action 5:** FORM 8.8 CEP MINIMUM REQUIREMENT FORM  
Form 8.8 is deleted in its entirety and replaced as follows:

## **AMENDED FORM 8.8 CEP MINIMUM REQUIREMENTS FORM**

**Company:**

The minimum qualifications and requirements for any Proposer responding to this CEP shall be as follows:

- I. At least eighteen (18) months of experience in food service, retail, and/or service operations at airports, transportation facilities, shopping centers, or business districts. Such prior experience must be with operations of similar complexity generating a sales volume of similar size to that being proposed.
2. Must never have had an agreement terminated for cause. Yes ☐ No ☐
3. Must be fully compliant with the City of SeaTac Proposition I (Prop I) and demonstrate such by answering these questions:
  - A. Do you currently operate a business covered by City of SeaTac Proposition I (Prop I)? Yes ☐ No ☐
  - B. If the answer to question 3A is “Yes”, please state whether you have provided your employees with wages and benefits that met or exceed the requirements of Prop I since January 1, 2014.  
Yes ☐ No ☐
  - C. If the answer to 3B is “No”, please state how you have otherwise addressed the requirements.

**If you have not addressed, in the sole opinion of the Port, the required employee wages and benefits extending back to January 1, 2014, your firm will be disqualified from participating in this Lease Group process.**

4. The Port has significant proprietary interest in the success of the ADR program and so it is in the Port’s economic interest to eliminate disruptions to its tenants’ operations due to labor disputes that can also negatively impact customers using the Airport as well as airline operations. Therefore all non-exempt Proposers must either:

- A. Submit with their proposal a letter on the Proposer's letterhead using the template language provided in **Exhibit 3** confirming that they have a Labor Peace Agreement that meets the requirements of Section 1.3.4

**or**

- B. Submit with their proposal a letter on the Proposer's letterhead using the template language provided in **Exhibit 3A** certifying that **if awarded the Package**, the Proposer agrees to enter into a Labor Peace Agreement with a Labor Organization that requests a Labor Peace Agreement through the process outlined in Section 1.3.4.2 of the CEP.
- C. Small businesses (as determined by the U.S. Small Business Administration criteria), that will have 35 or fewer badged airport employees at the Airport, with the award of any package(s) in this solicitation, will be exempt.

5. Acknowledgement of all Addendum(s) if applicable.

**I hereby certify that the above statements are true and correct to the best of my knowledge. I understand that a false statement may disqualify my submittal from the Lease Group 5 evaluation process.**

Date:

Name:

Company:

Title:

Signature:

ALL PROPOSAL FORM(S) MUST BE SIGNED BY AN AUTHORIZED REPRESENTATIVE OF THE LEGAL ENTITY SUBMITTING THE PROPOSAL (I.E., THE PROPOSER). IF NOT SIGNED BY AN AUTHORIZED REPRESENTATIVE OF THE PROPOSER, THE PROPOSAL MAY BE DEEMED NON-RESPONSIVE AND NOT SCORED.

FOR EXAMPLE, IF THE PROPOSER IS A JOINT VENTURE, PROPOSAL FORM(S) MUST BE SIGNED BY AN AUTHORIZED REPRESENTATIVE OF THE JOINT VENTURE (NOT JUST ONE OF THE JV MEMBERS) AND THE INDIVIDUAL SIGNING SHOULD BE SIGNING IN HER/HIS CAPACITY AS IT RELATES TO THE JV (NOT A JV MEMBER).



**Action 6: EXHIBIT 3 EVIDENCE OF LABOR PEACE AGREEMENT**

Exhibit 3 is deleted in its entirety and replaced as follows:

**AMENDED EXHIBIT 3**

**EVIDENCE OF LABOR PEACE AGREEMENT**  
**Printed and Executed on Proposer's Letter Head**

\_\_\_\_\_ (Proposer) has complied with Section 1.3.4.1 of the Competitive Evaluation Process (CEP)/Request for Proposal (RFP) for Package(s) \_\_\_\_\_, which stipulates that a non-exempt Proposer has a signed Labor Peace Agreement with a labor organization seeking to represent employees in the Port of Seattle's Airport Dining and Retail Program (ADR). Such Labor Peace Agreement binds the Proposer, any Affiliated Employer (as defined in the CEP/RFP solicitation document) and the Labor Organization, and requires that the Port's ADR Program is free from labor-related disruption of services both as to the ADR Program and the general operation of the Seattle-Tacoma International Airport.

FOR THE PROPOSER:  
(insert name of firm)

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Date: \_\_\_\_\_

FOR THE LABOR ORGANIZATION:  
(insert name of labor organization)

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Date: \_\_\_\_\_

**MUST BE SIGNED BY AN AUTHORIZED REPRESENTATIVE OF THE LEGAL ENTITY SUBMITTING THE PROPOSAL (I.E., THE PROPOSER). IF NOT SIGNED BY AN AUTHORIZED REPRESENTATIVE OF THE PROPOSER, THE PROPOSAL MAY BE DEEMED NON-RESPONSIVE AND NOT SCORED.**

**FOR EXAMPLE, IF THE PROPOSER IS A JOINT VENTURE, THIS FORM MUST BE SIGNED BY AN AUTHORIZED REPRESENTATIVE OF THE JOINT VENTURE (NOT JUST ONE OF THE JV MEMBERS) AND THE INDIVIDUAL SIGNING SHOULD BE SIGNING IN HER/HIS CAPACITY AS IT RELATES TO THE JV (NOT A JV MEMBER).**

**Action 7: EXHBIT 3A EVIDENCE OF LABOR PEACE AGREEMENT**

Exhibit 3A is hereby added to the CEP document as follows:

**EXHIBIT 3A**

**CERTIFICATION FOR LABOR PEACE AGREEMENT**

**Printed and Executed on Proposer's Letter Head**

\_\_\_\_\_ ("Proposer") hereby certifies that it will comply with Section 1.3.4.2 of the Competitive Evaluation Process (CEP)/Request for Proposal (RFP) for Package(s)

\_\_\_\_\_. In accordance with Section 1.3.4.2, if awarded the Package and a Labor Organization requests a Labor Peace Agreement, the Proposer agrees to enter into a Labor Peace Agreement with that Labor Organization that meets the requirements of Section 1.3.4 through the process and under the terms described in Section 1.3.4.2. Such Labor Peace Agreement shall be binding upon Proposer, any Affiliated Employer (as defined in the CEP/RFP solicitation document), and the Labor Organization. Once a Labor Peace Agreement is executed, Proposer must submit a signed letter on the Proposer's letterhead using the template language in Exhibit 3B that also includes a signature from a representative of the Labor Organization.

FOR THE PROPOSER:

(insert name of firm)

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Date: \_\_\_\_\_

**MUST BE SIGNED BY AN AUTHORIZED REPRESENTATIVE OF THE LEGAL ENTITY SUBMITTING THE PROPOSAL (I.E., THE PROPOSER). IF NOT SIGNED BY AN AUTHORIZED REPRESENTATIVE OF THE PROPOSER, THE PROPOSAL MAY BE DEEMED NON-RESPONSIVE AND NOT SCORED.**

**FOR EXAMPLE, IF THE PROPOSER IS A JOINT VENTURE, PROPOSAL FORM(S) MUST BE SIGNED BY AN AUTHORIZED REPRESENTATIVE OF THE JOINT VENTURE (NOT JUST ONE OF THE JV MEMBERS) AND THE INDIVIDUAL SIGNING SHOULD BE SIGNING IN HER/HIS CAPACITY AS IT RELATES TO THE JV (NOT A JV MEMBER).**

**Action 8: EXHBIT 3B EVIDENCE OF LABOR PEACE AGREEMENT**

Exhibit 3B is hereby added to the CEP document as follows:

**Exhibit 3B**

**EVIDENCE OF LABOR PEACE AGREEMENT**

\_\_\_\_\_ (Concessionaire) has complied with Section 1.3.4.2 of the Competitive Evaluation Process (CEP)/Request for Proposal (RFP) for Package(s) \_\_\_\_\_, and the Labor Peace provision (Section 4.1.9) of Concessionaire's Lease and Concession Agreement with the Port, which stipulate that a non-exempt Concessionaire that has been awarded a package must have a signed Labor Peace Agreement with a Labor Organization that requests one, that the Labor Peace Agreement binds the Concessionaire, any Affiliated Employer (as defined in the Lease and Concession Agreement) and the Labor Organization, and that the Labor Peace Agreement must require that the Port of Seattle's Airport Dining and Retail Program (ADR) is free from labor-related disruption of services both as to the ADR Program and the general operation of the Seattle-Tacoma International Airport.

FOR THE CONCESSIONAIRE:  
(insert name of firm)

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Date: \_\_\_\_\_

FOR THE LABOR ORGANIZATION:  
(insert name of labor organization)

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Date: \_\_\_\_\_

**THIS FORM MUST BE EXECUTED BY THE CONCESSIONAIRE AND SIGNED  
BY AN AUTHORIZED REPRESENTATIVE OF THE LABOR ORGANIZATION**

**Action 9: EXHIBIT 5 LEASE GROUP 5 SAMPLE AGREEMENT**

Section 4.1.9 of the Sample Lease and Concession Agreement is deleted in its entirety and replaced as follows:

**4.1.9. Labor Peace.**

1. Concessionaire acknowledges that the Port has a significant proprietary interest in the success of the ADR program and so it is in the Port's economic interest to eliminate disruptions to its tenants' operations due to labor disputes that can also negatively impact customers using the Airport as well as airline operations.
2. Unless Concessionaire (a) is an Exempt Concessionaire (as defined below), or (b) has submitted evidence to the Port that it has previously executed a Labor Peace Agreement with a Labor Organization in accordance with Section 1.3.4.1 of the Port's CEP or RFP solicitation that resulted in award and execution of this Agreement, Concessionaire shall have in place, with a Labor Organization that requests one, a "Labor Peace Agreement" that: (1) applies only to Concessionaire's ADR operations at the Airport, (2) requires that the Port's ADR program is free from labor-related disruption of services both as to the ADR program and the general operation of the Airport, and (3) is not inconsistent with the requirements of this Agreement. The Labor Peace Agreement must be between the Concessionaire (and, as applicable, any member, owner or other affiliate of Concessionaire which is or will be the employer of the employees who will work at the Premises) (an "Affiliated Employer"), on the one hand, and a labor organization that seeks to represent employees in the ADR program ("Labor Organization"), on the other. The Labor Peace Agreement must remain valid and in effect for the duration of the term of this Agreement.
3. Concessionaire agrees to enter into a Labor Peace Agreement with a Labor Organization that requests a Labor Peace Agreement through the following process: Concessionaire will (a) commence negotiations with a Labor Organization that requests, in writing, a Labor Peace Agreement and make its best efforts to enter into a Labor Peace Agreement within 60 days following Concessionaire's receipt of such request; (b) if Concessionaire and Labor Organization are unable to agree to a Labor Peace Agreement within that time, they must submit the dispute within 10 days to mediation with the American Arbitration Association ("AAA") or a mediation service mutually agreed upon by Concessionaire and the Labor Organization to assist Concessionaire and the Labor Organization in reaching a reasonable Labor Peace Agreement consistent with the provisions of this Section 4.1.9 within 30 days; and (c) if Concessionaire and Labor Organization are unable to reach a Labor Peace Agreement through mediation within that time, they must submit the dispute within 10 days to the AAA for final and binding arbitration conducted in accordance with the AAA Labor Arbitration Rules and Expedited Labor Arbitration Procedures or an expedited arbitration service mutually agreed upon by Concessionaire and the Labor Organization that can complete the arbitration within 45 days after the initial

submission of the dispute to the arbitration service. The arbitrator must issue an award establishing the terms of a reasonable Labor Peace Agreement consistent with the provisions of this Section 4.1.9, for execution by Concessionaire (and, as applicable, any Affiliated Employer) and the Labor Organization. Concessionaire and the Labor Organization must share equally the costs of mediation and arbitration unless they agree otherwise.

4. Concessionaire must ensure that the entity being bound by the Labor Peace Agreement (other than the Labor Organization) is Concessionaire (and, as applicable, any Affiliated Employer).
5. Nothing in this Section 4.1.9 shall be construed as requiring Concessionaire, through arbitration or otherwise, to change terms and conditions of employment for its employees, recognize a labor organization as the bargaining representative for its employees, adopt any particular recognition process, or enter into a collective bargaining agreement with a labor organization to comply with this provision.
6. Once a Labor Peace Agreement is executed, Concessionaire must submit a letter on Concessionaire's letterhead using the template language provided in Exhibit G attached hereto confirming it has a Labor Peace Agreement that complies with this Section 4.1.9. This letter must be signed by Concessionaire and a representative of the Labor Organization.
7. As used herein, an "Exempt Concessionaire" is a tenant or concessionaire at the Airport that is a Small Business (as determined by the U.S. Small Business Administration criteria), and that will have 35 or fewer badged airport employees at the Airport, with the award of this concession.
8. In connection with execution of an executed Labor Peace Agreement and otherwise, Concessionaire agrees to use its best efforts to avoid disruption to the Port, its tenants or members of the public, arising from labor disputes involving Concessionaire, and in the event of a strike, picketing, demonstration or other labor difficulty involving Concessionaire, to use its good offices, including the utilization of available legal remedies, to minimize and/or eliminate any disruption to the Port, its tenants or members of the public, arising from such strike, picketing, demonstration or other labor difficulty.
9. A failure by Concessionaire to satisfy the requirements of this Section 4.1.9 shall constitute a Concessionaire default under this Agreement.

**Action 10: EXHIBIT 5 LEASE GROUP 5 SAMPLE AGREEMENT**

Exhibit G is hereby added to the sample Lease and Concession Agreement as follows:

**Exhibit G**

**EVIDENCE OF LABOR PEACE AGREEMENT**

\_\_\_\_\_ (Concessionaire) has complied with Section 1.3.4.2 of the Competitive Evaluation Process (CEP)/Request for Proposal (RFP) for Package(s) \_\_\_\_\_, and the Labor Peace provision (Section 4.1.9) of Concessionaire's Lease and Concession Agreement with the Port, which stipulate that a non-exempt Concessionaire that has been awarded a package must have a signed Labor Peace Agreement with a Labor Organization that requests one, that the Labor Peace Agreement binds the Concessionaire, any Affiliated Employer (as defined in the Lease and Concession Agreement) and the Labor Organization, and that the Labor Peace Agreement must require that the Port of Seattle's Airport Dining and Retail Program (ADR) is free from labor-related disruption of services both as to the ADR Program and the general operation of the Seattle-Tacoma International Airport.

FOR THE CONCESSIONAIRE:  
(insert name of firm)

By:\_\_\_\_\_

Print Name:\_\_\_\_\_

Date:\_\_\_\_\_

FOR THE LABOR ORGANIZATION:  
(insert name of labor organization)

By:\_\_\_\_\_

Print Name:\_\_\_\_\_

Date:\_\_\_\_\_

**THIS FORM MUST BE EXECUTED BY CONCESSIONAIRE AND SIGNED BY AN AUTHORIZED REPRESENTATIVE OF THE LABOR ORGANIZATION.**

**END OF ADDENDUM NO. 3**

**Port of Seattle  
Seattle-Tacoma International Airport  
Airport Dining & Retail Program  
Competitive Evaluation Process - Lease Group 5  
(Packages FB-1, FB2, SR-1, SR-2, PS-1, AND PS-2)**

**Addendum No. 3  
CONFIRMATION**

Respondent must complete this CEP Addendum No. 3 confirmation and attach it to the Submittal.

Lease Group 5 Competitive Evaluation Process Addendum No. 3 has been received and reviewed by:

Respondent \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

Signature \_\_\_\_\_

Date \_\_\_\_\_