



**COMMISSION
AGENDA MEMORANDUM**

Item No. 10b

ACTION ITEM

Date of Meeting January 14, 2025

DATE : January 2, 2025

TO: Stephen P. Metruck, Executive Director

FROM: Aaron Pritchard, Commission Chief of Staff
Pete Ramels, General Counsel
Jessica Nadelman, Senior Counsel
Michelle M. Hart, Commission Clerk

SUBJECT: Package of Amendments for the Commission Code of Ethics and Corresponding Amendment to the Governance Committee Charter Scope of Work

Amount of this request: n/a

Total estimated project cost: n/a

ACTION REQUESTED

Request Commission Introduction of Resolution No. 3833, a resolution of the Port of Seattle Commission establishing a revised Code of Ethics for Port Commissioners and repealing Resolution No. 3681, as amended; and making a corresponding amendment to the Commission's Governance Committee charter scope of work to include jurisdictional review of written complaints alleging behavioral standards violations of Commissioners when such complaints are unaccompanied by a formal ethics complaint filing.

EXECUTIVE SUMMARY

Resolution No. 3833 proposes to repeal previously adopted Resolution No. 3681, as amended, which established a revised Commission Code of Ethics for Port Commissioners in 2013. Resolution No. 3833 and its Exhibit A (the code of ethics policy directive) aligns the Port Commission's Code of Ethics more fully with statutory provisions, including for interest in contracts and conflicts of interest; provides definition, organization, and structure to the code; provides for advisory opinions to be issued by the Board of Ethics; provides for a standard of conduct based on respectful interactions of Commissioners and provides a formal process to review complaints related to alleged violations of Commission behavioral standards and the Port's Statement of Values; creates a new section addressing remote contracting interests during service on non-profit boards and duty of loyalty to the Port; and provides transparency and predictability in the code complaint process.

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If adopted, a corresponding amendment to the Commission’s Governance Committee Charter is needed to reflect the committee’s jurisdiction granted under the code of ethics to review written alleged violations of Commission behavioral standards when such complaints are unaccompanied by a formal ethics complaint filing to the board of ethics or the office of workplace responsibility.

JUSTIFICATION

The Commission’s Code of Ethics has not been reviewed or amended since 2013. The Commission has expressed its position to incorporate respectful interactions and adherence to the Port’s Statement of Values in its ethical behavioral standards. The resolution, in part, accomplishes the codification of these standards and provides a mechanism to address allegations of violations of these standards, whether the question is before the Board of Ethics, or the Commission’s Governance Committee.

Review of the code further identified the need for better alignment of the Code’s provisions to state statute; general document clean-up; and the need for additional structure and timelines to provide clear guidance for people involved in the complaint process.

Exhibit A, the amended code proposed, has been thoroughly reviewed and has received input from the Port’s legal team; Commission’s counsel, the Board of Ethics, and the Commission’s Governance Committee. The Board of Ethics and the Governance Committee have both recommended the proposal be forwarded to the Commission for its consideration of adoption.

ALTERNATIVES AND IMPLICATIONS CONSIDERED

The Commission could choose to (1) adopt the proposed amendments as presented; (2) amend the proposed amendments presented; or (3) reject the proposals to amend the Commission Code of Ethics and corresponding amendment to the Commission’s Governance Committee charter, leaving the code as adopted in 2013.

FINANCIAL IMPLICATIONS

None.

ADDITIONAL BACKGROUND

Sectional Analysis of Changes:

- Sections 1 and 2: General Requirements – aligned with RCW 42.52; added reference to applicable port employee policies; removed duplicative sections; and reflects ethics standards provisions adopted into the Commission’s Bylaws and Rules of Procedure in 2024.
- Section 2: Conflicts of Interest – aligned with RCW 42.52; removed references to appearance of impropriety violations because the listed examples were duplicative of other sections; changed title of “Financial Interest Prohibited” to “Activities Incompatible

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with Public Duties” to align with state law and incorporate wider potential application i.e. service on non-profit boards.

- Section 3: Interests in Contracts – aligned with state law (contracting violations can be from direct or indirect interests; updated exceptions to align with state law and include consistent references to immediate family; updated exceptions consistent with RCW 42.23 (language and \$3K statutory amount)).
- Section 4: Statement of Financial Affairs – simplified provision to align with Public Disclosure Commission requirements.
- Section 5: Acceptance of Gifts – clarified rules regarding the acceptance of gifts on behalf of the Port; added exceptions consistent with state law, including adding an exception for food and beverages.
- Section 6: Former Port Commissioners – added language regarding maintaining confidentiality; and general section clean-up including timelines associated with provisions.
- Section 7: Participation on Non-Profit Boards – created a new section addressing service on non-profit boards, with service creating a remote interest in contracts. The provision states that Commissioners do not violate the code when approving membership fees for non-profits upon which board the commissioner serves during the port budget approval process. In approving the budget, commissioners shall not advocate for adjustment to proposed fee amount or membership status for non-profits upon which board the commissioner serves. Commissioners may express support of policy positions of a non-profit organization upon which the commissioner serves except when the commission is considering or approving a contract with the non-profit in which the commissioner has a remote interest. This section aligns with statutory provisions.
- Section 8: Board of Ethics – aligned with current Board of Ethics (‘board’) practices; added language to define the board as investigative agency to allow potential use of Public Records Act exemption 42.56.240(2) for complainants to provide confidentiality when applicable; provided clarity around submission of complaints to the board (filed by non-employees) or to the Port’s Office of Workplace Responsibility (filed by employees); provides for notice to parties at the point of complaint intake and throughout the complaint process; clarifies the screening process to be completed by the board with assistance of an outside investigator when necessary; specifies timelines to complete the complaint screening process; timelines to complete investigations; specifies complaint deliberation processes in-line with Open Public Meeting Act requirements; addresses corrective action determinations; specifies provisions for the board of ethics to issue advisory opinions with protections for reliance on these determinations; and if an ethics complaint is dismissed by the board and its investigation indicates potential violations of the behavioral standards referenced in Section 9 of the Code, the Board shall refer the matter to the Governance Committee for further review.
- Section 9: Violations of Commission Bylaws and Rules of Procedure Behavior Commitments – sends written complaints of alleged Commission behavioral standards and port statement of values violations to the Governance Committee (when such

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allegations are unaccompanied by a formal ethics complaint filing or has been forwarded by the ethics board).

- Section 10 – Definitions – removed definitions where duplicative of state law; added definitions of admonishment, censure, and reprimand based on judicial code definitions.

ATTACHMENTS TO THIS REQUEST

- (1) Draft Resolution No. 3833 with Exhibit A (Revised Ethics Code)
- (2) Redline of Draft Resolution No. 3833
- (3) Governance Committee Charter Amendment
- (4) Board of Ethics' Correspondence
- (5) Presentation slides

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

December 30 – January, 2025 – Commissioner Briefings

November 21, 2024 – Governance Committee Briefing

November 11, 2024 – Board of Ethics Briefing