

PORT OF SEATTLE COMMISSION

**MOTION REGARDING THE WAIVER OF ATTORNEY-CLIENT PRIVILEGE
ON THE LEGAL OPINION PREPARED BY OUTSIDE COUNSEL
RELATED TO THE CHIEF EXECUTIVE OFFICER'S ELECTION
TO THE EXPEDITORS INTERNATIONAL BOARD OF DIRECTORS**

October 23, 2012

Statement in Support of the Motion

Expeditors International of Washington, Inc. ("*Expeditors*") announced on August 10, 2012, that Port of Seattle Chief Executive Officer ("*CEO*") Tay Yoshitani had accepted its invitation to join the Expeditors International of Washington Board of Directors. The CEO's contract specifically allows him to participate on private sector boards so long as the General Counsel determines that the "CEO's participation would not create or appear to create a conflict of interest, or is contrary to any other provision of the Port's Code of Ethics for Employees."

The Seattle Port Commission (the "*Commission*") discussed this matter in public session on September 11, 2012, and adopted a motion to retain outside counsel to provide an independent review and analysis of the General Counsel's determination that no conflict of interest or appearance of a conflict of interest existed and to prepare a timeline of pertinent events from March 1, 2011, to September 10, 2012. The motion further called for a review of the Port's and Commission's ethics policies. In a separate motion, the Commission waived privilege on the legal opinion prepared by Timothy G. Leyh and Katherine Kennedy of the law firm Calfo Harrigan Leyh & Eakes LLP.

In adopting the motion, the Commission directed the formation of a temporary committee comprised of Commissioners Albro and Holland to oversee the hiring of outside counsel and an ethics expert. The temporary committee selected former Chief Justice of the Washington Supreme Court Gerry Alexander and Russ Perisho as outside counsel, and also retained the former Executive Director of the City of Los Angeles Ethics Commission, LeeAnn Pelham, to review the Port of Seattle's (the "*Port*") ethics policies on conflict of interest and make recommendations for any changes. The temporary committee has continued to oversee the work of the outside counsel and the ethics expert.

The motion specified that outside counsel and the ethics expert are to present their reports to the Commission in public session no later than October, 23, 2012. Outside counsel and the ethics expert have completed their reviews within the timeframe and are prepared to present their reports to the Commission.

Motion

The Commission hereby authorizes a limited waiver of attorney-client privilege solely on the legal opinion prepared by Gerry Alexander related to the Chief Executive Officer's election to the Expeditors Board of Directors and authorizes staff to post the opinion on the Port's website for public view. LeeAnn Pelham's review of ethics issues and the timeline of pertinent events shall also be posted on the Port's website for public view.