Item Number: <u>4f_motion</u> Meeting Date: <u>April 28, 2015</u>

PROPOSED MOTION OF THE OF THE PORT OF SEATTLE COMMISSION TO CLARIFY THE OBLIGATION DATE OF MINIMUM WAGE AND TOTAL COMPENSATION POLICES UNDER RESOLUTION NO. 3694

PROPOSED APRIL 28, 2015

TEXT OF THE MOTION

The Port of Seattle Commission intended that the requirements of Resolution No. 3694, including minimum wage and total compensation policies, would not attach to employers as an obligation or to employees as a benefit until the Rules and Regulations were actually promulgated, which will not occur until 45 days after the Washington Supreme Court issues a final judicial determination in *BF Foods LLC v City of SeaTac*.

The Port Commission did not intend that benefits supplied under Resolution No. 3694 would apply retroactively to January 1, 2015, once the implementing Rules and Regulations are promulgated. Under Section 4A and 4B of the resolution, the statement "effective January 1 of each year" was intended to apply on an annual basis *following* promulgation of implementing Rules and Regulations, not at the effective date of the Resolution.

STATEMENT IN SUPPORT OF THE MOTION

On July 22, 2014, the Port Commission adopted Resolution No. 3694 relating to safety and security at Seattle-Tacoma International Airport and the necessary hiring standards, training opportunities, and minimum compensation required to maintain a well-trained workforce at the Airport.

By its terms, Resolution No. 3694 was effective upon the date its adoption, July 22, 2014. The administrative Rules and Regulations regarded as necessary to implement the Commission's action were to take effect on the later date of either (i) January 1, 2015, or (ii) 45 calendar days after the Washington Supreme Court issues a final judicial determination in *BF Foods LLC v*. *City of SeaTac*, No.13-2-25352, 2013 WL 6851515 (Wash. Super. Dec. 27, 2013).

As of today, the Washington Supreme Court has yet to issue its decision in the *BF Foods LLC v*. *City of SeaTac* case. While the minimum wage and total compensation standards were adopted via Resolution No. 3694, the implementation of the rules enforcing those standards has been delayed because the effective date of those rules starts 45 days after the Court issues its decision in the BF Foods case. Of further note, the Commission meeting minutes from July 22, 2014 reflect the Commission's intent "to take 45 days" following a ruling to "adjust for implementation."