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COMMISSION

AGENDA MEMORANDUM Item No. 10b

ACTION ITEM Date of Meeting January 24, 2023

DATE : January 11, 2023

TO: Stephen P. Metruck, Executive Director

FROM: Aaron, Pritchard, Commission Chief of Staff

SUBJECT: Adoption of Resolution No. 3811: A Resolution Increasing the Rate of Per Diem

Allowance to Port of Seattle Commissioners, as Provided for by Washington State

Statute RCW 53.12.060(3)

Amount of this request: N/A

Total estimated project cost: N/A

ACTION REQUESTED

Request Commission Adoption of Resolution No. 3811: A Resolution Increasing the Rate of Per Diem Allowance to Port of Seattle Commissioners, as Provided for by Washington State Statute RCW 53.12.060(3).

EXECUTIVE SUMMARY

The proposed Resolution enables Port of Seattle Commissioners to increase the number of days Commissioners may receive per diem and to increase the per diem rate to that set by Washington State. This is an increase in the per diem allowance Port of Seattle Commissioners can earn from \$128 a day and a maximum of \$15,360 per year to \$185 a day and a maximum of \$37,925 per year, for a total potential increase of up to \$22,565.

JUSTIFICATION

Additional oversight and community engagement by commissioners is needed in order to align the Port with the region's needs and values associated with the growing demands of the region's aviation and maritime gateways.

As candidates for Port Commission become more diverse and have more responsibilities to family and non-Port-related work, it is necessary to recognize that the part-time commissioner position can be a significant burden for those who are not in retirement or independently wealthy. This per diem rate increase is intended to encourage candidates from more diverse backgrounds, while recognizing that the position has grown into a greater-than-part-time position.

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In 2013 (Resolution 3678) the Commission linked commissioner salary and pay raises to the Washington State Legislature to establish a base salary and to keep pace with inflation. However, the rate of the per diem was not linked to legislators per diem allotment. As the workload for commissioners has increased over the past decade, the per diem allowance has not been sufficient to cover the number of days commissioners conduct Port-related work. Most Commissioners exhaust their current per diem allowance by August, approximately two-thirds of the way through the year.

The Washington Citizens' Commission on Salaries for Elected Officials (WCCSEO) sets the salaries for state elected officials. According to the WCCSEO website, "State law requires that (the WCCSEO) base the salaries of the elected officials on realistic standards in order to pay them according to the duties of their office and to attract citizens of the highest quality to public service."

The Commission's action is authorized by RCW 53.12.060(3) and cannot not take effect for any individual or Commissioner until that person is elected or re-elected.

DETAILS

The nature of the Port of Seattle Commissioner position has changed over the last decade. Specifically, the amount of time and number of days commissioners are expected to execute the duties of the position have significantly increased. Since the passage of resolution 3678 in 2013, the addition of the Northwest Seaport Alliance to their responsibilities has increased the number of public meetings, committee meetings, and related briefings by roughly 50%. Similarly, commissioners are expected to meet with more constituents and stakeholders, prepare for more meetings, and create more written content than their predecessors.

According to the National Conference of State Legislators, Washington's legislators' per diem is \$185 per day and it is tied to 89% of the federal per diem rate. Aligning commissioners' per diem rate to state allowances will increase the daily rate from \$128 to \$185. This action would also raise the number of days that a commissioner can earn a per diem from 120 days per year to 205 per year. The combination of the extension of days a commissioner can earn per diem along with the increase in per diem rate results in the potential additional compensation of \$22,565 to what commissioners can currently earn.

Commissioners commonly have multiple meetings that they are expected to attend during at least three days a week and often as many as five. Article II of the state constitution provides that legislators receive compensation "for each day's attendance during the session" and RCW 44.04.120 provides that members may receive an allowance, "in lieu of per diem or any other payment, for a day or major portion thereof in which he or she is engaged in legislative business..." This is how the commissioner per diem operates. Thus, commissioners will not

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automatically get any funds. These funds would only be available when they submit requests based on the days that they take meetings.

Currently, in addition to the per diem compensation, pursuant to Resolution 3678 and RCW 53.12.260(3), all Port of Seattle Commissioners are paid the same salary as members of the Legislature of the State of Washington. Unless it is otherwise waived, the current annual salary for members of the Legislature is set at \$57,867, made effective on July 1, 2022. Unlike State legislators, Commissioners do not receive retirement benefits.

Commissioners' per diems and other expenses are posted on the Port of Seattle website.

ALTERNATIVES AND IMPLICATIONS CONSIDERED

None.

FINANCIAL IMPLICATIONS

Current and Proposed Rate Equations

Rate # of Days Allowed Total Possible Annual Reward

Current per Diem \$120 128 \$15,360

Proposed per Diem \$185 205 \$37,925

Approval of the resolution could result in an additional \$45,130 in 2024 and 2025 if commissioners submit the maximum in per diem requests and \$112,825 in 2026 and beyond.

ADDITIONAL BACKGROUND

None.

ATTACHMENTS TO THIS REQUEST

(1) Draft Resolution No. 3811

(2) Resolution No. 3678 (Previously Adopted)

(3) Presentation

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

(1) December 13, 2022 – Introduction of the Resolution

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