



WASHINGTON PUBLIC PORTS ASSOCIATION

THE MANIFEST

WASHINGTON PUBLIC PORTS ASSOCIATION ANNOUNCES APPOINTMENT OF JAMES THOMPSON AS EXECUTIVE DIRECTOR

In a special meeting of **WASHINGTON PUBLIC PORTS ASSOCIATION** (WPPA) trustees on September 23, 2019, a vote was carried to appoint **JAMES THOMPSON** as the next Executive Director for the statewide association.



A message from James Thompson, Executive Director

After a five-month nationwide search process that saw applicants ranging from local to international, the Association's Executive Committee, in partnership with Karras Consulting, interviewed two rounds of finalists before submitting their unanimous recommendation of James Thompson to be the next Executive Director of the Washington Public Ports Association.

Of the Executive Committee recommendation, WPPA President Don Meyer stated, "James' passion for Washington's economic development, combined with his deep knowledge of port operations and reputation with legislators throughout the state made him the best possible selection for the next phase of growth with the Washington Public Ports Association."

As stated in WPPA bylaws, the recommendation requires approval through a vote of the trustees, comprised of one representative from each of the association's 70 member ports. In a Special Meeting of Trustees in Olympia, Washington on Monday, September 23, the recommendation was approved.

Thompson has served as Deputy Director for the Association for the past three years and joined WPPA as Senior Director, Trade & Transportation in 2014. His experience includes leadership roles in commercial transportation, global logistics, trade tax and customs, through his work as Director of International Logistics and Trade for the Terex Corporation and North American Transportation Manager for Starbucks Coffee Company. Early in his career, he worked in state government and with a variety of state agencies.

He is a native of Cowlitz County and has lived in six port districts including Walla Walla, Port Angeles, Wahkiakum, Longview, Olympia, and Seattle. His career in the global logistics industry has taken him to ports throughout the world, giving him a wide array of experience to serve the interests of the public ports of Washington State.

SPOTLIGHT

2019 CERB GRANT RECIPIENTS: INSIGHTS FROM PORT ANGELES, ROYAL SLOPE AND ANACORTES

The recent announcement of 2019 CERB grants and loan funding winners saw three port projects awarded funds: the **PORT OF ANACORTES**, the **PORT OF PORT ANGELES** and the **PORT OF ROYAL SLOPE**.

This was the second CERB application for the **PORT OF ANACORTES**, and they received a \$50,000 planning grant to explore what next steps are for the port's two marine terminals. "We had begun a campaign to market our marine terminals, and within the planning process, and before launching, we wanted to find our niche," said Brenda Treadwell, Director of Planning, Properties & Environmental, "We wanted to look at which smart capital investments might attract future clients and jobs. The CERB application process wasn't that onerous - and, the feasibility study will provide data that we plan to use for applications for USDOT MARAD grants." In this case, one grant provides the ability to secure future grant funding. Matching funds were provided from the initial marketing funds.

In Grant County, the **PORT OF ROYAL SLOPE** secured a \$252,000 loan and more than \$84,000 in grants in order to extend the waterline by 2,400 feet (including fire hydrants, piping valves and infrastructure) to support new business, introducing 178 jobs within five years. Kent-based private partner Torklift International committed \$2,282,000 to the expansion, which will also impact a nearby fruit company, which plans to put in a small grape-crushing facility and winery.

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"The CERB process does limit applicants to a 25% grant cap, but our proposal made the cut because this provides a long-term benefit," said Executive Director Cathy Potter. "One of our key learnings is that the median wage requirement doesn't have to be paid the day someone is hired, but within a certain time frame (say, 1-2 years)." Matching funds were sourced from the .09% fund.

At the **PORT OF PORT ANGELES**, partnerships were key in winning a \$50,000 Broadband Feasibility Study grant. In the Spring of 2019, the port participated in the North Olympic Broadband Symposium, where local governments within Clallam County came together – the county, port and cities of Forks, Sequim and Port Angeles joined forces to apply for one broadband planning grant for all, with the port as the lead recipient. "Next steps include forming an interlocal agreement for participation and funding of the study," said Jesse Waknitz, Environmental Manager. "The end goal here is to provide our underserved communities with economic opportunity through broadband access."

KNOWING THE WATERS

A MONTHLY COLUMN FROM FRANK CHMELIK,
WPPA COUNSEL CHMELIK SITKIN & DAVIS P.S.

This month's focus is on **COMMISSIONER COMPENSATION**. Recently, several different port districts have inquired about this issue. From where I sit, I see a couple of trends over the last thirty years that contribute to a desire to increase commissioner compensation.

First, the time demands on commissioners have increased over the years. The issues commissioners consider are more complex and port districts are involved in more issues. Second, the demographic of port commissioners is changing.

I remember when most of the port commissioners were retired or near retired. They were in a position where they had time to serve. Now, we are seeing a younger and more diverse group of port commissioners that want to serve but where the service has an economic impact. There may be other reasons, but these are two trends I have observed.

With that backdrop let's dive a bit deeper into **RCW 53.12.060** – the statute that specifies two separate streams of commissioner compensation and an override provision for port commissions. We also must always consider the Washington State Constitution limitation on compensation increases or decreases.

PER DIEM COMPENSATION – RCW 53.12.260 (1). Port commissioners receive a per diem compensation for each "day or portion thereof spent (a) in actual attendance at official meetings of the port district commission, or (b) in performance of other official services or duties on behalf of the district." The exact nature of "(b) in performance of other official services or duties on behalf of the district" is left to each commission to determine.

The best practice is to adopt a policy that specifies when a commissioner is entitled to the per diem compensation for "other official services or duties." At the first meeting of the year, it is fairly common for port commissions to appoint commissioners to represent the port district on various boards or organizations. These appointed duties are typically determined by the port commission to be "other official services or duties on behalf of the district."

But there are other instances that are less clear and need commission direction. Examples include: meeting with the executive director the day before the meeting, attending the WPPA annual meeting, attending a tenant's open house or attending a local city council meeting to listen to issue of concern to the port district. Some port commissions provide a wide latitude while others opt for a more restrictive policy. Of course, there is a statutory limit of \$128 per day to a maximum of \$15,360 per year (adjusted for inflation by the Washington State Office of Financial Management every five years).

MONTHLY COMPENSATION – RCW 53.12.060(2). Port commissioners receive monthly lump sums of "additional compensation" based on the port district's gross operating revenues. These too are adjusted for inflation from a July 1, 2008 base of \$200 per month for commissioners of port district with gross operating revenues between \$1 million and less than \$25 million, and \$500 per month for port districts with gross operating revenues of \$25 million or more. (Those numbers are now \$285.20 per month and \$713 per month.)

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THE OVERRIDE PROVISION – RCW 53.12.060(3). Port commissions can “override” either or both the per diem and the monthly compensation because **RCW 53.12.060(3)** provides that “in lieu of the compensation specified in this section, a port commission may set compensation to be paid to commissioners.” Port commissions, using the authority in **RCW 53.12.060(3)**, may adopt a different compensation scheme including changing the per diem, changing the annual per diem cap or changing the monthly compensation.

The best practice is to do this in a resolution format. When adopting “override” compensation, port commissions should consider if the override compensation should be adjusted for inflation by the Washington State Office of Financial Management every five years pursuant to **RCW 53.12.060(4)**. should consider if the override compensation should be adjusted for inflation by the Washington State Office of Financial Management every five years pursuant to **RCW 53.12.060(4)**.

ARTICLE 11 SECTION 8 PROHIBITION. The Washington State Constitution provides that “the salary of any . . . municipal officers shall not be increased except . . . or diminished after his election, or during his term of office” Therefore, any increase or decrease in port commissioner compensation only takes effect as to each commissioner district on January 1st following the November election. The best practice is to include a table in the resolution listing the commissioner districts and the year in which the increase (or decrease) will take effect.

In summary, commissioner compensation seems to be a rising issue that reflects the changing nature of the duties of port commissioner and the changing demographic of port commissioners. If you have a particular question for a Knowing the Waters, please email me at fchmelik@chmelik.com.

UPCOMING EVENTS



2019 SMALL PORTS SEMINAR

OCTOBER 24-25, 2019
ENZIAN INN, LEAVENWORTH



2019 ANNUAL MEETING

NOVEMBER 20-22, 2019
HOTEL MURANO, TACOMA

EMPLOYMENT OPPORTUNITIES

FACILITIES MANAGER | PORT OF BENTON

PARKING SERVICES & REVENUE REPRESENTATIVE (TOLL BOOTH/PARKING GARAGE) | PORT OF SEATTLE

MAINTENANCE II | PORT OF CAMAS-WASHOUGAL

HARBOR OPERATIONS SPECIALIST- SQUALICUM HARBOR | PORT OF BELLINGHAM

SENIOR CIVIL ENGINEER - AVIATION FACILITIES & INFRASTRUCTURE | PORT OF SEATTLE

HARBOR CUSTOMER SERVICE SPECIALIST | PORT OF SEATTLE

SENIOR ENVIRONMENTAL MANAGEMENT SPECIALIST - PERMITTING | PORT OF SEATTLE

ENVIRONMENTAL SPECIALIST | PORT OF ANACORTES

VETERANS FELLOW - CONTRACT ADMINISTRATOR | PORT OF SEATTLE

VETERANS FELLOW - ENVIRONMENTAL OUTREACH | PORT OF SEATTLE

VETERANS FELLOW - TERMINAL OPERATIONS COORDINATOR | PORT OF SEATTLE

AIRPORT DINING & RETAIL BUSINESS MANAGER | PORT OF SEATTLE

AIRPORT OPERATIONS MANAGER - TERMINAL 59 | PORT OF BELLINGHAM

PORT MANAGER | PORT OF WILLAPA HARBOR

MANAGER AVIATION SECURITY - PHYSICAL SECURITY | PORT OF SEATTLE

DISTRIBUTION CENTER INVENTORY SPECIALIST | PORT OF SEATTLE

AV AIRFIELD/AIRSPACE PLANNER | PORT OF SEATTLE

MECHANICAL ENGINEER - AVIATION FACILITIES & INFRASTRUCTURE | PORT OF SEATTLE

SENIOR ENVIRONMENTAL PROGRAM MANAGER | PORT OF SEATTLE

RECORDS PROGRAM MANAGER | PORT OF SEATTLE

BUILDING & GROUNDS (TRACK) | PORT OF TACOMA

FULL TIME - OPERATOR | PORT OF KALAMA

FULL TIME - FIELD MAINTENANCE | PORT OF KALAMA