

RESOLUTION NO. 2671

A RESOLUTION of the Port Commission of the Port of Seattle amending Resolution No. 2590, the Master Policy Directive on the Administrative Authority of the Executive Director and department heads.

WHEREAS, the Port Commission of the Port of Seattle has adopted Resolution No. 2590 a Policy Directive delegating administrative authority to the General Manager and department heads for the purpose of expeditious administration of the Port;

WHEREAS, the Port Commission from time to time finds it necessary to amend and revise such directive due to changes in law and/or operations of the Port;

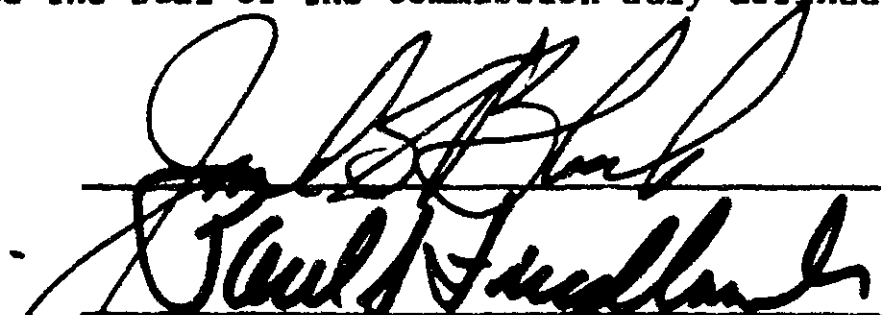
NOW, THEREFORE, BE IT RESOLVED, by the Port Commission of the Port of Seattle as follows:

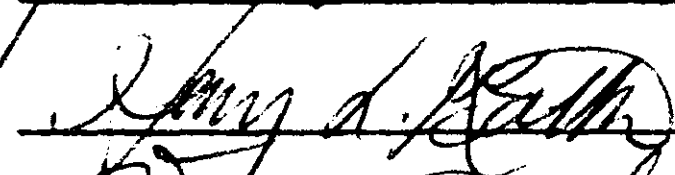
Section 1. The Master Policy Directive of the Port Commission of the Port of Seattle as set forth in Resolution No. 2590 and Exhibit "A" attached thereto are each amended as follows:

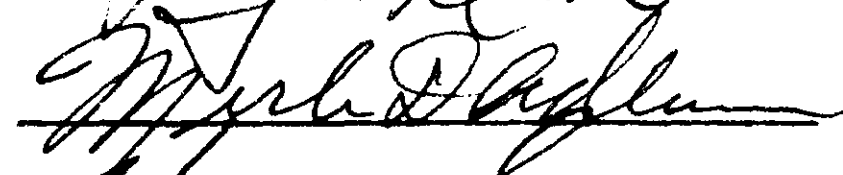
Wherever the term "General Manager" is used in Resolution No. 2590, or Exhibit "A" attached thereto, the term "Executive Director" shall be substituted, reflecting the change of title for the Chief Administrative Officer of the Port.


Exhibit "A," Amendment 1, attached to this resolution and by this reference incorporated herein, is for the purpose of establishing additional administrative authority for the Executive Director and department heads.

ADOPTED by the Port Commission of the Port of Seattle this 26th day of April, 1977, and duly authenticated in open session by the signatures of the Commissioners voting and the Seal of the Commission duly affixed.



Paul F. Sullivan


Amy A. Beth


Myrtle D. Papp


Henry T. Sammons
Port Commission

XVIII. LEGAL SERVICES AND OTHER REPRESENTATION

The Executive Director, or his designee, the Legal Officer, shall be responsible for the procedures necessary for management and supervision of all legal services required by the Port and litigation in which the Port has an interest, direct or indirect. For purposes of this section, "litigation" shall mean the assertion of any position, right or responsibility by or against the Port (or in which the Port may have an interest) which has been filed in any court of general jurisdiction, be it state or federal, or any quasi-judicial or administrative forum.

- (1) Legal Services: The Executive Director is authorized to retain the law firms of Bogle and Gates and Preston, Thorgrimson, Ellis, Holman & Fletcher or in cases of emergency where such firms are unavailable, such other counsel as he deems appropriate, to provide necessary legal services. Retained legal counsel may act solely on behalf of the Port or jointly with other interested parties. Payment for legal services other than litigation shall be by fixed annual retainers or by reimbursement at established hourly rates plus expenses. Fixed annual retainers shall be set by the Executive Director based on the level of services required and the current cost of legal services in the area: Provided that such retainer may not in any year exceed .3% of the Port's gross operating revenues without prior Commission approval. In litigation matters, legal counsel shall be reimbursed at their established hourly rate plus expenses.
- (2) Engagement of Other Representatives: In connection with litigation or other legal matters in which the Port has a direct or indirect interest, the Executive Director or his designee, may engage other representatives, to act solely on behalf of the Port, or jointly with other interested parties. Such representatives shall be reimbursed at their established hourly rates plus expenses or on another basis which is standard for their services.

- (3) Engagement of Experts: The Executive Director or his designee, as outlined above, may engage, or cause to be engaged through Port counsel, such experts as may be necessary to the orderly preparation of litigation in which the Port has a direct or indirect interest, without limitations otherwise prescribed in paragraph VI of this resolution; such engagement shall be upon authorization given by the Legal Officer after having been satisfied that such expenditure is necessary to the adequate preparation and representation of the Port's position in such litigation and shall, wherever practicable, include evaluation of the litigation and an estimate of the probable cost of such experts.
- (4) Reserve for CAB Proceedings: There is established a "Reserve for CAB Proceedings" from which the costs of all Civil Aeronautics Board proceedings shall be charged. For the balance of the year 1977, such reserve shall be accrued at the rate of \$15,000 per month, prorated as of the date of adoption of this amendment. Thereafter, such accrual shall be at the rate established in the annual budget. The remaining costs of all proceedings previously approved shall be met from this reserve without limit on individual proceedings. New proceedings may be added by the Executive Director, within the limits of the reserve, provided that any proceeding, the cost to the Port of which is estimated to exceed \$15,000, shall be approved by the Port Commission.
- (5) Settlement: Any matter which is the subject of litigation may be comprised and settled by the Executive Director or his designees as outlined above without prior reference to the Commission provided that all of the following conditions are met:
- (A) The amount in controversy, as stated in the pleadings, does not exceed \$150,000; and
 - (B) The actual cost to the Port, excluding the Port's attorney's fees, litigation cost and expert witness fees, of any such settlement does not exceed 50% of the amount in controversy or \$50,000 whichever is less; and

(C) The Legal Officer shall certify to the Executive Director that such compromise and settlement is justified on the basis of the following:

- (i) a substantial likelihood that the Port is or will be found liable;
- (ii) the likelihood that a judgment rendered in the case would be in the amount claimed;
- (iii) the likelihood that the expenses involved in litigation would be unnecessarily high in relation to the amount claimed.