

THE NORTHWEST SEAPORT ALLIANCE
MEMORANDUM

AUDIT COMMITTEE
ACTION ITEM

Item No.	<u>6</u>
Date of Meeting	<u>April 22, 2022</u>

DATE: April 15, 2022

TO: NWSA Audit Committee

FROM: Leilani Berinobis

Sponsor: Dana Henderson, General Counsel

SUBJECT: Audit Committee Charter Amendment

A. ACTION REQUESTED

Request Audit Committee approval of a recommended amendment to the 2016 NWSA Audit Committee Charter to allow the Committee to meet virtually without in-person attendance by the public and move this recommendation for consideration and vote to the Managing Members at a future meeting.

B. BACKGROUND

During the COVID-19 pandemic and associated public health emergency, the Open Public Meetings Act ("OPMA") (RCW 42.30) was temporarily modified by proclamation to allow public meetings to take place virtually, with public attendance provided by telephone. The NWSA's pandemic experience has shown that virtual meetings can be an efficient and fiscally responsible way to conduct Managing Member work group and committee business, and based on initial feedback, it appears that the Audit Committee would prefer to continue to meet virtually.

The current Northwest Seaport Alliance Audit Committee Charter (2016) provides that all Audit Committee meetings are "open public meetings," presumably meaning that they should be conducted in accord with the OPMA (RCW 42.30). However, absent this reference in the Charter, the Audit Committee's meetings would not otherwise be subject to the OPMA as a matter of law, the choice to make them subject to the OPMA is entirely *voluntary*. Recently enacted amendments to the OPMA allow for fully virtual meetings without providing for in-person attendance by the public only when (1) there is a state of emergency in effect and (2) meetings cannot be held in person with a reasonable level of safety. Because NWSA Managing Members meetings are being held in-person (as are staff meetings), presumably, the conclusion has been made that meetings can be held in person with a reasonable level of safety.

Therefore, for the Audit Committee to meet entirely virtually without providing for in-person attendance of the public, both prongs of the above test must be met. Alternatively, the Audit Committee Charter could be amended to remove the requirement for them to be conducted as “open public meetings.” A draft of the proposed charter amendment reflecting this change is attached. The Managing Members must approve any amendment to the charter.

If the proposed charter amendment is approved, the Audit Committee would no longer be voluntarily subject to the OPMA, and therefore could meet virtually without providing for in-person attendance by the public. However, to provide for continued public transparency of Audit Committee activities, staff recommends we continue to live-stream the meeting, provide notice of the meeting, and post the agenda and minutes on the Managing Members Meeting website.

C. FINANCIAL IMPLICATIONS

Cost for in-person meeting: \$10,177.00 per meeting.

Cost for virtual meeting: \$4,611.00 per meeting.

Savings for NWSA Audit Committee meetings to be virtual: \$5,566.00 per meeting.

D. ATTACHMENTS TO THIS REQUEST

- Proposed Amendment to the 2016 Northwest Seaport Alliance Audit Committee Charter (Redline).