

CHELAN DOUGLAS REGIONAL PORT AUTHORITY PROMOTIONAL HOSTING POLICY

INTRODUCTION

RCW 53.36.120-150 authorizes Port Districts to make expenditures for industrial development, trade promotion or promotional hosting by the Chelan Douglas Regional Port Authority is found and determined to be of benefit to the businesses and citizens of Chelan and Douglas Counties.

POLICY

1. The Chief Executive Officer shall annually submit, as a part of the Port Authority's budget, appropriate categories of proposed expenditures covering promotional hosting expenditures. Budget items proposed for promotional hosting shall be limited as provided in RCW 53.36.130.
2. In making expenditures for promotional hosting, the following requirements shall be observed by Port officials and employees:
 - (a) Only Port Authority Board Directors, Chief Executive Officer, Directors, and their designees are authorized to make expenditures or approve expenditures related to this Resolution. Port Authority Board Directors shall not personally make expenditures for industrial and trade development, promotional hosting, or seek reimbursement except when such expenditures are approved by the Port Authority Board of Directors.
 - (b) Expenditures for industrial and trade development and promotional hosting shall be expended only from gross operating revenues of the Port Authority. Promotional hosting expenditures shall not exceed the limit imposed by RCW 53.36.130.
 - (c) Reimbursement for expenses outlined in this Resolution shall be supported by receipts as outlined in the Policy and Procedures for Travel and Meals and submitted to the Director of Finance & Administration for payment in a timely manner.
 - (d) Reimbursement of expenses outlined in this Resolution shall have, to the extent feasible, an explanation of all charges, the general purpose, and the benefit derived by the Port Authority from the expenditure.
 - (e) Promotional hosting expenditures shall be defined to mean and include furnishing customer meals, refreshments, lodging, transportation, or any combination of those items in connection with trade, industrial development or other authorized Port Authority business activities. Hosting may include gifts and entertainment which a prudent person would consider to be reasonable, customary and incidental.

Promotional hosting expenditures shall enhance the operations of the Port Authority toward achieving the following goals which may change from time-to-time:

- i. Promote the use or continued use or increased use of Port Authority services, facilities and properties to an individual or organization;
 - ii. Persuade individuals or organizations to donate, supply or sell to the Port Authority, on advantageous terms, properties, facilities, services, and information needed by the Port Authority to achieve a betterment or improvement of the Port Authority's existing operations, facilities, and services;
 - iii. Persuade individuals or organizations to purchase, lease, or contract from or with the Port Authority on terms favorable to the Port Authority in order that the Port Authority may enter into transactions for the development, improvement or use of its properties and facilities in a manner suitable to serve the best interests of the Port Authority; or
 - iv. Persuade individuals or an organization to assist the Port Authority in fostering the increased use of its services and facilities by improving transportation schedules, adding to existing transportation services, adjusting rates, improving navigation, and generally increasing and improving the scope and efficiency of Port Authority operations so as to contribute to the growth of the Port Authority's business.
- (f) As provided in RCW 53.36.140, reimbursement vouchers by Port Authority officials and employees for promotional hosting expenditures shall be paid only if approved by the Port Authority Board of Directors. All beneficiaries of promotional hosting expenditures by officials or employees of the Port Authority shall be reasonably capable of influencing or controlling decisions with respect to the subject matters hereinabove mentioned, and the amount of each expenditure shall be reasonable and appropriate in relation to the particular purpose of the pertinent promotional hosting. Contractors or consultants who are engaged in promotional hosting with funds received from the Port Authority shall be subject to the requirements of this resolution.
- (g) No reimbursement or other expenditure shall be made pursuant to this resolution:
- i. For purposes not reasonably related in nature and amount to the improvement of the Port Authority operations, pursuit of the Port Authority's mission and statutory authority or acquiring additional business or other increasing and improving scope and efficiency of Port Authority operations;
 - ii. For the promotion of transactions prohibited under the conflict of interest statute, Chapter 42.23 RCW; or

- iii. For obtaining a benefit for the Port Authority from an individual or an organization which is already legally, contractually, or otherwise obligated to furnish that benefit to the Port Authority.
 - (h) The Director of Finance & Administration shall periodically, as requested by the Port Authority Board of Directors, prepare summary reports of expenditures made for promotional hosting purposes so that the Board of Directors can review the broad policies encompassed within this resolution.
3. The Port Authority shall follow the rules and definitions promulgated by the State Auditor pursuant to RCW 53.36.150. The schedule of illustrative guidelines for promotional hosting expenditures attached hereto as Exhibit A shall be circulated among all Port Authority Board Directors and employees authorized to make expenditures for promotional hosting.

Adopted by the Chelan Douglas Regional Port Authority Board of Directors

on September 10th, 2019.