

THE NORTHWEST SEAPORT ALLIANCE
MEMORANDUM

MANAGING MEMBERS
ACTION ITEM

Item No.	9E
Date of Meeting	August 1, 2023

DATE: July 14, 2023

TO: Managing Members

FROM: Co-Chairs Cho and Keller

SUBJECT: Second Reading and Adoption of Proposed Resolution 2023-04
"Restatement of Purpose and Shared Responsibility"

A. ACTION REQUESTED

Request Managing Members of the Northwest Seaport Alliance (NWSA) adopt Resolution 2023-04 "Restatement of Purpose and Shared Responsibility."

B. BACKGROUND

The NWSA was founded in 2015. Of the ten current Homeport Commissioners, only two were serving on the respective commissions at the time of its formation. The purpose of the proposed resolution is to solidify the ongoing commitment to uphold the original intent of The NWSA's founding charter.

The Fourth Amended Bylaws of The Northwest Seaport Alliance Managing Members, Article VI provides, in part, that each resolution shall be presented at two meetings before a final vote is taken (first reading, followed by final vote at the second reading). A vote shall be taken at first reading, provided however, future amendments within the scope of the proposed resolution shall be allowed a second reading, prior to the final vote.

A draft of the proposed resolution was provided to each Commissioner on May 26, 2023 and again on May 30, 2023. The proposed resolution was then introduced in public session at the June 6, 2023 Managing Member meeting. The Managing Members voted unanimously to approve first reading and advance the resolution to a second reading for final adoption.

Proposed amendments were offered by Commissioners Calkins and Felleman in the last Managing Members' meeting and have been redlined into the draft for second reading. Further edits from General Counsel were added to clarify intent and are recommended by counsel and incorporated in the redline draft for consideration by the Managing Members.

C. ATTACHMENTS TO THIS REQUEST

- Proposed Resolution No. 2023-04 with proposed redline amendments from Commissioners Calkins, Felleman and Counsel.
- If any additional proposed amendments are received in advance of the meeting, they will be numbered and circulated for consideration as an amendment to this action item.

D. PREVIOUS ACTIONS OR BRIEFINGS

- Draft proposed Resolution 2023-04 circulated to Commissioners May 26, 2023
- Draft proposed Resolution 2023-04 circulated to Commissioners a second time May 30, 2023
- First reading of proposed Resolution 2023-04 approved by the Managing Members on June 6, 2023

RESOLUTION NO. 2023-04

A RESOLUTION OF
THE NORTHWEST SEAPORT ALLIANCE

~~COMMITMENT TO THE NORTHWEST SEAPORT ALLIANCE RESTATEMENT OF PURPOSE,
MISSION AND SHARED RESPONSIBILITY~~

Commented [BL1]: Amendment from Co-Chairs

WHEREAS, The Northwest Seaport Alliance (NWSA) is the marine cargo operating joint venture of Ports of Seattle and Tacoma (Homeport or Homeports); and

WHEREAS, The NWSA was formed in August 2015, following comprehensive public outreach and approval from the Federal Maritime Commission and Washington State Legislature; and

WHEREAS, The Port of Seattle and Port of Tacoma each licensed properties to the NWSA to act as the exclusive operator and manager of the cargo and terminal properties for the ports; and

WHEREAS, each Homeport is a Managing Member of NWSA, comprised of the commissioners of the Homeports, and each Managing Member has equal vote in NWSA matters; and

WHEREAS, NWSA's purpose is to promote and assist economic development of the Managing Members' marine cargo operations with an emphasis on unified business retention and recruitment, coordinated enhancement of the value of marine cargo properties, improved intermodal rail service, improved freight capabilities, and the general promotion of maritime economic development and other related port business activity; including through coordinated environmental stewardship and

Commented [BL2]: Commissioner during 1st Reading

WHEREAS, The NWSA was created to address developments in the shipping industry that threatened the future of the U.S. Pacific Northwest trade, and these threats remain today; and

WHEREAS, Shipping lines are deploying larger container ships and the size of these vessels will lead to fewer port calls. To remain competitive, ports need the capability to handle these larger vessels through deeper drafts, stronger aprons and berths and adequate cranes; and

WHEREAS, These larger container ships require significant capital investment in port infrastructure; and

WHEREAS, The NWSA venture has been hailed as a positive and creative approach throughout our industry at the national and international levels; and

WHEREAS, Prior to the formation of NWSA, detrimental competition between the Ports of Seattle and Tacoma was costing our state and entire region, examples including Seattle winning coveted grant dollars over Tacoma for a key infrastructure project and Tacoma taking business from Seattle, significantly reducing volumes overnight; and

WHEREAS, In forming our NWSA Gateway as one entity and having the ability to strategically prioritize investments in terminal infrastructure and environmental initiatives across two harbors, NWSA is better positioned to address competitive threats at a national and international scale; and

WHEREAS, The NWSA supports approximately 58,400 jobs, annually produces over \$4 billion in labor income, and contributes almost \$12.4 billion in business output; and

WHEREAS, The NWSA handled 3.4 million twenty-foot equivalent units (TEUs) in 2022, ranking as the number seven gateway across North America; and

WHEREAS, The NWSA is the leading export gateway for hay and forage; frozen potato products; apples; legumes (peas, beans, and lentils); fresh potatoes; grass feed; hops and hop extract; pears, quinces; and sweet cherries; and

WHEREAS, through the Homeports' joint venture in the NWSA, we are making the region more competitive, efficient, and sustainable in moving cargo that supports business, economic opportunities and job creation for our region and across Washington State; and

WHEREAS, We are stronger together.

NOW, THEREFORE, BE IT RESOLVED BY THE MANAGING MEMBERS OF THE NORTHWEST SEAPORT ALLIANCE that:

We ~~restate-reaffirm~~ our commitment ~~as-to~~ the NWSA and its original purpose and need, including honoring the contractual agreement of the NWSA's Charter as established in 2015.

~~Without waiver or amendment of any rights or provisions under the Charter, we do neither port not~~ seeks to reevaluate, apportion, appraise or partition any aspects of NWSA or any of its existing assets ~~or to modify the Membership Interests.~~

We remain committed to working together to grow our Gateway and are committed to the success of the NWSA. ~~and maintain current Membership Interest as defined in the Charter.~~

Commented [BL3]: Commissioner Calkins during 1st Reading

Commented [LB4]: Edits from Counsel

ADOPTED by a majority of the members of The Northwest Seaport Alliance at a regular meeting held on the 1st day of August 2023, a majority of the members being present and voting on this resolution and signed by its Co-Chairs and attested by its Co-Secretaries under the official seal of said Managing Members in authentication of its passage this 1st day of August, 2023.

Sam Cho, Co-Chair
The Northwest Seaport Alliance

Deanna Keller, Co-Chair
The Northwest Seaport Alliance

ATTEST:

Fred Felleman, Co-Secretary
The Northwest Seaport Alliance

John McCarthy, Co-Secretary
The Northwest Seaport Alliance

Item No.: 9E_Supp
Date of Meeting: August 1, 2023

Resolution 2023-04

Restatement of Purpose, Mission and Shared Responsibility



THE NORTHWEST
SEAPORT ALLIANCE

SEATTLE + TACOMA

Sponsors: Co-Chairs Cho and Keller
Presenter: Leilani Berinobis

ACTION REQUESTED

Request Managing Members of the Northwest Seaport Alliance (NWSA) adopt Resolution 2023-04 “Restatement of Purpose, Mission and Shared Responsibility”.

BACKGROUND

- 2015 – NWSA Founded
- Two current Homeport commissioners served at the time of formation and assisted in the creation of the NWSA Charter.

BACKGROUND

- The purpose of this proposed resolution is to solidify the ongoing commitment to uphold the original intent of the NWSA's founding charter.

Recommendations from Legal Counsel

- Following amendments are within the scope of 1st and 2nd reading and as a result of legal review.

Recommendation from Legal Counsel

- We ~~restate~~ **reaffirm** our commitment ~~as to~~ the NWSA and its original purpose and need, including honoring the contractual agreement of the NWSA's Charter as established in 2015.
- ~~As identified in the Charter, we will~~ **Without waiver or amendment of any rights or provisions under the Charter, we do** not seek to reevaluate, apportion, appraise or partition any aspects of NWSA or any of its existing assets **or to modify the Membership Interests.**
- We remain committed to working together to grow our Gateway **and are committed to the success of the NWSA.** ~~and maintain current Membership Interest as defined in the Charter.~~

Commissioner Proposed Amendment from 1st Reading

- 5th Whereas “NWSA’s Purpose...” to include the following language:
“including through coordinated environmental stewardship.” (Cmmr. Felleman from 1st Reading)

Commissioner Proposed Amendment from 1st Reading

- ~~As identified in the Charter, we will~~ **Without waiver or amendment of any rights or provisions under the Charter, we do not** neither port seeks to reevaluate, apportion, appraise or partition any aspects of NWSA or any of its existing assets **or to modify the Membership Interests.** (Cmmr. Calkins from 1st Reading citing 10.1 in the Charter)

ACTION REQUESTED

Request Managing Members of the Northwest Seaport Alliance (NWSA) adopt Resolution 2023-04 “Restatement of Purpose, Mission and Shared Responsibility”.