

THE NORTHWEST SEAPORT ALLIANCE
MEMORANDUM

MANAGING MEMBERS
ACTION ITEM

Item No. 5A
Date of Meeting January 3, 2017

DATE: December 14, 2016

TO: Managing Members

FROM: **Sponsor:** Nick Demerice, Public Affairs Director

Project Managers: Sean Eagan, Government Affairs Director
Ryan McFarland, Federal Affairs
Evette Mason, Local Affairs—Pierce County
Lindsay Wolpa, Local Affairs—King County

SUBJECT: **2017 legislative agenda**

A. ACTION REQUESTED

Staff requests four actions by the Managing Members:

- 1) Approval of the NWSA 2017 federal legislative agenda;
- 2) Approval of the NWSA 2017 state legislative agenda;
- 3) Approval of the NWSA 2017 local legislative agenda; and
- 4) Amendment of the catalogue of government relations positions to address climate change policy.

B. SYNOPSIS

The proposed 2017 legislative agendas— federal, state and local—contain priority items the NWSA government relations team would pursue proactively during the course of the year.

The Catalogue of Policy Positions includes position statements on issues not already included in the agenda and serves as a guide for how staff will respond to unanticipated issues. Staff proposes amending the Catalogue to address potential climate change legislation.

C. BACKGROUND

The Northwest Seaport Alliance Managing Members Bylaws states in Article I3B that, “The Alliance shall take official positions on policy and significant legislative issues only when the issue impacts the Alliance and only after” a vote of the Managing Members.

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Legislative agendas

In drafting the proposed legislative agendas, staff began with several philosophical assumptions. First, the issues identified in the agendas should directly impact NWSA-licensed properties, the operations on those properties, or the movement of cargo to-and-from those properties. As such, staff focused on legislative initiatives tied directly to the NWSA strategic business plan approved by the Managing Members. You will note that after each legislative agenda item, staff has made a reference to strategic business plan initiative the item supports. While the two homeports may care about other issues—and in some cases be in agreement—those issues impacting homeport governance, operations, properties or initiatives were not included in the NWSA agenda out of respect for the continued sovereignty of the two homeports—and their desire to maintain independent identities in some cases. Please know that homeport government affairs staffs will continue to work together where appropriate on issues of common interest.

Second, the legislative agendas are intended to enumerate the top priorities for the alliance. The issues identified in the legislative agendas are intended to be actionable and measurable, providing guidance to external stakeholders on the alliance's priorities while at the same time setting expectations for government relations employees for how their performance will—at least partially—be measured. They are not intended to serve as persuasive communication pieces in-and-of themselves. Staff relies on a variety of other communication tools to assist our efforts to influence the crafting of federal, state, or local public policy (e.g. one-pagers, testimony, private meetings, social media, etc.).

Catalogue of government relations positions

The proposed legislative agendas serve as a starting point for the Alliance's government relations work—proactive initiatives staff will work on during the upcoming year. Recognizing that government relations staff likely will need to react to unanticipated opportunities or threats in the public policy arena, the Managing Members in 2016 approved a catalogue of government relations positions. This catalogue includes position statements on issues not already included in the agenda and serves as a Managing Member approved guide for how staff will respond to unanticipated issues. Specific government relations policy positions not already anticipated in the catalogue are adopted by the Managing Members as necessary on timely and emerging matters.

In January 2016, during consideration of the 2016 legislative agenda, Managing Members suggested the inclusion of a position statement on climate change. Staff requested—and Managing Members agreed—to defer this question to 2017.

After the conclusion of the 2016 state legislative session, a staff work group composed of members of NWSA's Government Relations, Environment, Commercial and Operations departments met to develop an outline of what a legislative agenda position statement might look like. Port of Seattle Government Relations and Environment staff members also

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participated to ensure—at a minimum—that the statement was not inconsistent with homeport efforts in this area. The outline was also reviewed by John Wolfe and Kurt Beckett. On August 2 staff sought Managing Member feedback on the proposed outline. Based on that feedback, staff is proposing an amendment to the catalogue of government relations positions that addresses how the NWSA would respond to climate change proposals that may be considered by other legislative bodies.

D. PROJECT DESCRIPTION AND DETAILS

Federal legislative agenda

- Harbor Maintenance Tax (HMT)
Support reforming the HMT to ensure United States tax policy does not disadvantage United States ports and maritime cargo, and to provide greater equity for HMT donor ports through expanded use of Harbor Maintenance Trust Fund revenues. (Strategic plan goal 1C2)
- WRRDA Section 2106
Support \$50 million appropriation for the “donor port” rebate program authorized under Section 2106 of the Water Resources Reform and Development Act (WRRDA) to address the HMT cost disadvantage relative to Canadian ports. (Strategic plan goal 1C2)
- Seattle Harbor Deepening Project
Support \$500,000 in FY17 for the final year of the feasibility study on deepening the federal channels serving T-18, T-30 and T-5. On completion of the study and Chief’s Report, support authorization and funding for design and construction. (Strategic plan goal 1A3)
- National freight policy
Support implementation and funding for a national multimodal freight strategy and related grant programs that recognize the significance of U.S. West Coast ports. (Strategic plan goals 2A1, 2A2 and 2B1)
- Safe and efficient cargo screening
Support expedited deployment by Customs and Border Patrol (CBP) of radiation portal monitors capable of scanning containers in a more efficient manner for marine container terminals utilizing straddle carriers. Support adequate CBP staffing levels to ensure efficient movement of cargo through the Puget Sound gateway. (Strategic plan goal 1B1)
- Trade Liberalization and Expansion Policy Advancement
Engage with local, state and national partners to advocate for trade policies that open new markets and level playing fields for Washington employers and others who use the NWSA as their international gateway, while creating verifiable, measureable and enforceable standards to protect workers and the environment. (Strategic plan goal 3A)

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State legislative agenda

- **Competitiveness**
Support tax and regulatory policies that result in the increased movement of goods through the Puget Sound gateway, with particular attention paid to exports. (Strategic plan goal 1B1, 1C2)
- **Land use**
Support mechanisms to ensure the state articulates its interests in local land use decision making when it comes to the preservation and health of essential public facilities. (Strategic plan goal 2A1)
- **Pier 4 and Terminal 5 modernization projects**
Support the use of Port and Export Related Infrastructure fund dollars within the state capital budget to partially finance the completion of the Pier 4 Terminal Modernization Project in Tacoma and the Terminal 5 Modernization Project in Seattle to meet changing container industry requirements. (Strategic plan goals 1A1, 1A2)
- **Port Community Technology System**
Support a \$3 million allocation in federal FAST formula funds received by Washington state for the Port Community Technology System. This system would implement an electronic platform that allows for the secure exchange of information between the NWSA, private and public sector stakeholders to improve the efficiency of the NWSA-related supply chain. This will cover NWSA terminals, trucks, rail and waterways; and their interactions with each other. (Strategic plan goals 1B3 and 2B1)
- **Connecting Washington investments**
Support continued appropriations for the Puget Sound Gateway project, the Port of Tacoma Road Interchange project, and the Lander Street Grade Separation contained in the Connecting Washington transportation package. (Strategic plan goal 2A2)
- **Hydraulic Project Approvals (HPA)**
Support pragmatic solutions that are protective of aquatic habitats and appropriately define the Department of Fish and Wildlife's regulatory authority. (Strategic plan goal 1A)

Local legislative agenda

- **Streamlining Priority Projects**
Support efficient and transparent permitting for NWSA high priority projects including Terminal 5 in North Harbor and Terminal 3/4 backland reconfiguration and gate complex in South Harbor. (Strategic plan goals 1A1 and 1A2)
- **Preserving maritime and manufacturing lands**
Support local land use and transportation policies and mechanisms that maintain or enhance maritime and manufacturing lands, and the critical road and rail infrastructure required for freight mobility. (Strategic plan goal 2A1)

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- SODO arena development
Oppose efforts to locate new professional sports facilities in the area south of downtown Seattle, known as “SoDo.” The goals being to preserve industrial lands, freight mobility, allow for the anticipated development of marine cargo facilities and support the growth of related middle-class jobs. This will include supporting stakeholder efforts to seek an alternative site for an arena, opposing the vacation of a portion of Occidental Avenue and ensuring a balanced and thorough review of all possible impacts of the proposal. (Strategic plan goal 2A1)
- Maintaining and improving the regional freight system
Influence the regional competition for grant funding to enhance freight corridors and systems that improve the competitiveness of our Alliance properties and ensure future transportation infrastructure projects consider negative impacts to freight mobility/capacity. (Strategic plan goals 2A1, 2A2 and 2B1)
- Milwaukee Street vacation
Support City of Tacoma staff in advancing and completing the Milwaukee Street Vacation, improving service for the Union Pacific domestic intermodal rail facility. (Strategic plan goal 2B1)

Catalogue of government relations positions

Amend the catalogue of government relations positions by inserting the following:

Climate Change: Support funding for environmental projects at seaports that result in substantive and measureable greenhouse gas and black carbon emissions reductions and improved resiliency of port infrastructure in the face of climate change. Support efforts to reduce greenhouse gas and black carbon emissions provided those efforts do not result in a net loss of cargo volumes in the gateway; should these efforts generate additional revenue for the government (such as through a mechanism like a carbon tax), support efforts to invest this revenue into climate change adaptation, further emission reductions, energy conservation and transportation and freight mobility infrastructure.

Renumber accordingly (see attached red-line version of the catalogue for more information).

E. ATTACHMENTS TO THIS REQUEST

- Computer slide presentation.
- Draft federal legislative agenda one-pager
- Draft state legislative agenda one-pager
- Draft local legislative agenda one-pager
- Red-line version of catalogue of government relations positions

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F. PREVIOUS ACTIONS OR BRIEFINGS

<u>Date</u>	<u>Action</u>
November 2015	Briefing on NWSA Government Relations Guiding Principles laying out practice of adopting legislative agendas and the catalogue of government relations principles
January 14, 2016	Managing Member approval of catalogue of government relations positions
March 29, 2016	Briefing on 2016 state legislative agenda accomplishments
August 2, 2016	Briefing on climate change position statement outline