

THE NORTHWEST SEAPORT ALLIANCE
MEMORANDUM

MANAGING MEMBERS
ACTION ITEM

Item No.	<u>7B</u>
Date of Meeting	<u>January 3, 2024</u>

DATE: December 12, 2023
TO: Managing Members
FROM: John Wolfe, CEO
Sponsor: David Morrison, CFO
SUBJECT: Resolution 2024-02 Statutory Auditor

A. ACTION REQUESTED

Request Managing Members of The Northwest Seaport Alliance (NWSA) adopt Resolution 2024-02 appointing Donald Kelley as the statutory Auditor for NWSA, superseding Resolution 2016-01 and reappointing Geul Lee (Brian Lee) as Deputy Auditor.

B. SYNOPSIS

RCW 42.24.080 requires that all claims presented against any political subdivision by officers and employees of that subdivision or by persons furnishing materials, rendering services or performing labor, or for any other contractual purpose, shall be audited, before payment, by an auditing officer and the audit form shall provide for authentication and certification by such auditing officer that the materials have been furnished, the services rendered, the labor performed as described, or that any advance payment is due and payable pursuant to a contract or is available as an option for full or partial fulfillment of a contractual obligation, and that the claim is a just, due and unpaid obligation political subdivision. No claim shall be paid without such authentication and certification.

RCW 53.36.010 requires that funds disbursed by the treasurer of the port district shall be signed by a port auditor appointed by the port commission.

C. BACKGROUND

Through the support services agreement, the Port of Tacoma handles the accounts payable function and certifies claims per RCW 42.24.080 for the NWSA. Darren Arakaki, Director, Accounting for the Port of Tacoma was previously designated as NWSA's statutory Auditor by the Managing Members on May 3, 2016. Mr. Arakaki will be retiring at the end of the year creating a need for the appointment of a new statutory Auditor. Donald Kelley was hired on November 16, 2023 as the Director, Accounting and is qualified to serve as the statutory Auditor. Brian Lee was appointed the Deputy Auditor by the CEO as provided in Resolution 2016-01.

D. ATTACHMENTS TO THIS REQUEST

Proposed Resolution Number 2024-02

E. PREVIOUS ACTIONS OR BRIEFINGS

December 21, 2023 First Reading Resolution 2024-02
May 3, 2016 Resolution 2016-01 Appointing Statutory Auditors

RESOLUTION NO. 2024-02

**A RESOLUTION OF
THE NORTHWEST SEAPORT ALLIANCE
Designating Alliance Statutory Auditor Pursuant to RCW 53.36.010 and RCW
42.24.080, superseding Resolution 2016-01**

WHEREAS, The Northwest Seaport Alliance ("Alliance") is a port development authority established under the laws of the State of Washington, including RCW 53.08.240 which allows ports by mutual agreement, to exercise jointly all powers granted to each individual district, Chapter 39.34 RCW, the Interlocal Cooperation Act, which allows ports to act jointly through the formation of a separate legal entity for such joint cooperative action, and including ESHB 1170, WA Session Laws of 2015-6, (Chapter 53.57 RCW), the Port Development Authority Act, which grants the port development authority to perform any lawful public purpose or public function related to maritime activities of the port district or districts, including exercise any powers of the port district or districts that created the port development authority, subject to some limitations, and pursuant to Federal law 46 USC Section 40301 (b)(1-2), by which the Federal Maritime Commission approved the FMC Agreement No. 201228, to allow the creation of the Alliance.

WHEREAS, RCW 42.24.080 requires that all claims presented against any political subdivision by officers and employees of that subdivision or by persons furnishing materials, rendering services or performing labor, or for any other contractual purpose, shall be audited, before payment, by an auditing officer and the audit form shall provide for authentication and certification by such auditing officer that the materials have been furnished, the services rendered, the labor performed as described, or that any advance payment is due and payable pursuant to a contract or is available as an option for full or partial fulfillment of a contractual obligation, and that the claim is a just, due and unpaid obligation political subdivision. No claim shall be paid without such authentication and certification.

WHEREAS, RCW 53.36.010 requires that funds disbursed by the treasurer of the port district shall be signed by a port auditor appointed by the port commission.

WHEREAS, The Alliance seeks to appoint an auditor and otherwise comply with RCW 42.24.080 and RCW 53.36.010.

NOW, THEREFORE, BE IT RESOLVED BY THE MANAGING MEMBERS OF THE NORTHWEST SEAPORT ALLIANCE that effective January 3, 2024, Donald Kelley is hereby appointed as the Alliance Auditor and Geul Lee (Brian Lee) is hereby reappointed as Deputy Auditor. The Alliance Chief Executive Officer is authorized to appoint deputy Auditors as may be required.

BE IT FURTHER RESOLVED that Resolution 2016-01 is hereby superseded.

ADOPTED by the Managing Members of The Northwest Seaport Alliance at a regular meeting held on the ____ day of _____ 202__ and signed by its Co-Chairs and attested by its Co-Secretaries in authentication of its passage this this ____ day of _____ 202__.

_____, Co-Chair
The Northwest Seaport Alliance

_____, Co-Chair
The Northwest Seaport Alliance

ATTEST:

_____, Co-Secretary
The Northwest Seaport Alliance

_____, Co-Secretary
The Northwest Seaport Alliance