

THE NORTHWEST SEAPORT ALLIANCE
MEMORANDUM

MANAGING MEMBERS
STAFF BRIEFING

Item No.: 6B
Date of Meeting: June 4, 2019

DATE: May 22, 2019
TO: Managing Members
FROM: John Wolfe, CEO
SUBJECT: Total Rewards Update

A. BRIEFING REQUESTED

This public briefing is intended to provide an update on the progress to transition The Northwest Seaport Alliance (NWSA) and the Port of Tacoma's non-represented employees from a traditional salary and benefits compensation approach to a Total Rewards Program.

B. BACKGROUND

The Total Rewards initiative offers a total compensation approach that will highlight the true value of the overall pay and benefits that we offer both the NWSA and the Port of Tacoma. We will be reviewing our current compensation practices and benefit programs with the goal of establishing a Total Rewards philosophy that will attract, retain, reward and motivate a highly qualified and diverse workforce for both the NWSA and the Port of Tacoma.

Gallagher Benefits Services, Inc. was selected as the consultant for this project. Gallagher provides expertise in assessing, designing and developing a Total Rewards Program, advising on industry best practices, and supporting us in development of an implementation plan for the NWSA and the Port of Tacoma's non-represented employees.

C. CURRENT STATUS

Total Rewards assessment is progressing, and Gallagher will be presenting findings and preliminary options at the June 4th Managing Member meeting with focus on four main areas:

- Benefits
- Compensation Study: Review of all non-represented job descriptions along with current classification system.
- Performance Management Program
- Leave policy options

Total Rewards Project Update

June 4, 2019

Page 2 of 2

D. PREVIOUS UPDATES

Briefing Memos were included in Managing Member packets on:

- February 5, 2019
- September 4, 2018
- July 17, 2018
- April 3, 2018

E. NEXT STEPS

We are seeking Managing Members' direction and guidance on the options presented. Based on Managing Members feedback, we will request authorization at a future Managing Member meeting to adopt any changes.

Any recommended changes to current compensation and leave programs are expected to be implemented in the 2020 timeframe.