



Item No.: 5E_supp
Date of Meeting: July 2, 2019

The Northwest Seaport Alliance Master Policy – First Reading

Presenter: Erin Galeno
Chief Financial and Administrative Officer

Action Requested

Request Managing Members of the Northwest Seaport Alliance (Alliance) to approve first reading of Master Policy Resolution 2019-02, Delegation of Authority Master Policy and to vote to move the Resolution on to second reading.



First Reading Purpose

- To review proposed edits from Commissioners, staff, and legal counsel.
- Ensure compliance with required annual changes to the Master Policy Resolution (annual update to the statutory surplus dollar amount.)



Background

- The Alliance Master Policy is structured to:
 - Ensure proper oversight by the Managing Members.
 - Serve as the primary delegation of administrative authority to the Chief Executive Officer.
 - Provide transparency for significant business activities.
 - Provide flexibility to allow the CEO to respond to business needs and opportunities.



Master Policy Proposed Changes

Section 1: Definitions

- Updated/modified three existing definitions.
- Added definition of “Managing Members”
- Added Management Services Agreement which was authorized in 2018.
- Added Operating Agreement definition.
- Added MRSC definition.

Section 2: Preamble

- Added Strategic Business Plan to the Managing Members responsibilities and additional clarify regarding delegated authority 2.b. (iii)



Master Policy Proposed Changes

Section 3: Overview of Administrative Authority of the Alliance CEO

- Minor wording edit.

Section 4: CEO Powers Delegated by Charter

- Added clarifying language to the designation of the tax matters person.



Master Policy Proposed Changes

Section 5: General Provisions

- No recommended changes

Section 6: Planning and Budget Implementations

- Recommended changes to the long-range planning and project funding sections.



Master Policy Proposed Changes

Section 7: Policies Governing Real Property

- Added a requirement for first and second reading for all leases greater than one year.
- Removed CEO delegation for signing of vessel and operating agreements.
- Added clarifying language regarding delegation of security instruments.



Master Policy Proposed Changes

Section 8: Policies Governing Authorization for Projects, Contracting, Procurement and Emergencies

- Revised CEO delegation for spending from up to \$300,000 to \$100,000 for projects that are expected to exceed \$300,000.
- Added reporting requirement to Managing Members for Real Estate commissions.
- Added clarifying language to quarterly reporting of contract authorizations.



Master Policy Proposed Changes

Section 8: Policies Governing Authorization for Projects, Contracting, Procurement and Emergencies

- Added changes to when staff would seek Managing Member authorization for changes to contracts and/or project costs.
- Revised CEO delegated authority for Professional and Personal Services contracts from \$300,000 to \$150,000



Master Policy Proposed Changes

Section 9: Policies Governing Financial Activities

- Added additional language to clarify the management of the Alliance working capital reserve.
- Added additional reporting requirement for Alliance Memberships.
- Added language regarding delinquent accounts.
- Added a notification requirement to Managing Members prior to applying for Grants with a match that exceeds \$300,000.
- Updated the statutory surplus of personal property threshold for the CEO delegation.



Master Policy Proposed Changes

Section 10: Legal Services, Claims and Other Representation

- Added a section stating that Managing Member approval is required for all legal services agreements that exceed \$150,000.
- Added additional language to clarify the Managing Member's role regarding settlement of legal claims



Master Policy Proposed Changes

Section 11: Tariffs

- Added additional language to clarify the Managing Member's role regarding adoption of tariffs
- Added potential dollar value limit to changes, NWSA accountability for setting tariffs and notification of changes to the Managing Members.

Sections 12 – 14

- No recommended changes.



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