

# ACTION ITEM MEMO

Port of Tacoma Commission



Item No: 5C  
Meeting Date: 1/22/25

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**DATE:** January 13, 2025

**TO:** Port of Tacoma Commission

**FROM:** Eric Johnson, Executive Director  
Sponsor: Jason Jordan, Senior Director of Environmental and Planning  
Project Manager: Mindi Kellar, Senior Water Quality Manager

**SUBJECT:** Approve First Amendment of the 2020 Interlocal Agreement by and Between Port of Tacoma and City of Tacoma for Mutual Cooperation & Support Regarding Agency Stormwater Management

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**A. ACTION REQUESTED**

Approve First Amendment to 2020 Port of Tacoma and City of Tacoma Interlocal Agreement Regarding Mutual Cooperation & Support Regarding Agency Stormwater Management to extend the expiration date from February 28, 2025, to August 31, 2025.

**Strategic Plan Initiative:** EL-3.

**B. BACKGROUND**

In 2013, following settlement of a dispute over surface water rate fees, The Port of Tacoma (Port) and City of Tacoma (City) entered an Interlocal Agreement (ILA) in 2013. This ILA was extended in 2019 and renewed in 2020. The current ILA provisions to review rates and charges and coordination on Municipal Separate Storm Sewer System (MS4) National Pollutant Discharge Elimination System (NPDES) permits between the Port and City. Environmental staff presented an issue briefing to Commission on September 24, 2021, in Executive Session on options for stormwater infrastructure funding, including forming a Port stormwater utility and renegotiating the ILA with the City.

The Port and City have started negotiation discussions on the terms of a new ILA, and the additional time will allow for these discussions to continue and to create a mutually beneficial ILA that works best for both parties. Negotiations between the Port and City were delayed during 2024 due to reissuance of both the MS4 and Industrial Stormwater General Permits. As MS4 permittees we are required to coordinate with local jurisdictions, and we use this ILA to satisfy that requirement.

The First Amendment keeps the current terms but extends the expiration date by six months, from February 28, 2025, to August 31, 2025, in order to allow time for continued negotiations on matters covered by the ILA.

The City will also be taking this extension request to City Council in early February 2025 for approval. This additional time will allow review of updated stormwater manual and Tacoma

Municipal code 12.08 updates, which are key to development and redevelopment requirements in the Tideflats. In addition, staff continue to negotiate City rates and roles and responsibilities.

**C. SCOPE OF WORK**

The scope of work will include:

- Monthly negotiation meetings with City staff
- Work with Port legal team on ILA requirements
- Finalize updated ILA between Port and City prior to August 31, 2025
- Return to Commission before August 2025 with recommendation on final ILA

**D. TIMEFRAME/PROJECT SCHEDULE**

Complete negotiations with City	July 2025
Port Commission and City Council Finalize ILA	August 2025

**E. ALTERNATIVE ANALYSIS**

Allow ILA to expire February 28, 2025

**F. NEXT STEPS**

Upon Commission approval the proposed 6-month extension of 2020 Port of Tacoma and City of Tacoma Interlocal Agreement by and Between Port of Tacoma and City of Tacoma for Mutual Cooperation & Support Regarding Agency Stormwater Management expiration date from February 28, 2025, to August 31, 2025 in order to continue negotiations and finalize a new ILA.