

Resolution 2018-05-PT



A Resolution of the Port Commission of the Port of Tacoma, Washington adopting a
Port of Tacoma Management Structure

WHEREAS, the Port of Tacoma ("POT") is a port district, organized under provisions of the laws of the State of Washington, and codified under Title 53 RCW; and

WHEREAS, the POT and the Port of Seattle ("POS") previously entered into an agreement to establish The Northwest Seaport Alliance ("NWSA") pursuant to the following federal and state authorities: (1) the Federal Maritime Commission ("FMC") Discussion Agreement No. 201228, (2) an interlocal agreement with delegated powers exercised pursuant to the port joint powers statute (RCW 53.08.240) which expressly permits joint operation and investment outside of a port district's boundaries, (3) RCW 39.34.030, the state Interlocal Cooperation Act, and (4) pursuant to Title 53.57 RCW, which authorizes the Port districts to create a port development authority to use, operate and manage certain marine facilities jointly, to be known as the NWSA;

WHEREAS, the operations, management and business of the NWSA is managed by the port districts as Managing Members of the NWSA ("Managing Members") pursuant to an adopted Charter approved by the Ports and the FMC and each port district member shall act in such capacity through its own elected commissioners;

WHEREAS, the NWSA Charter Section 6.4 allowed for a temporary period of duality, whereby the NWSA CEO may also serve as the Port of Tacoma CEO for a period of five years commencing August 4, 2015 ("Transition Period");

WHEREAS, POS, POT and NWSA mutually seek to address post-duality POT and NWSA management structures which will also include the adoption of an ILA between the parties which address the procedures to be used in standing up those management structures;

NOW, THEREFORE, be it resolved that:

The POT hereby memorializes certain understandings and commitments to address the post-transition period POT Management Structure, which shall include:

- The POT will establish independent Executive Leadership, responsible and accountable for growing POT business outside of the NWSA licensed properties;
- Additional overhead expense will be minimized for the NWSA and POT to leverage advantages and maximize homeport incomes;
- The Port of Tacoma Executive Leader will propose the strategy, approach and staffing for POT non-alliance needs, while simultaneously collaborating to ensure the best interests of the POT and NWSA are met;
- Ensure the preparation and approval of the POT operating budget, capital investment plan, plan of finance and debt issuance.
- Ensure the POT receives necessary support per the Management Services Inter-local agreement ("ILA") with the NWSA which provides day to day management for all Port of Tacoma departments that provide service to the NWSA and POT, including hiring, performance management, and collective bargaining negotiations;
- The Executive Leader will be accountable for leasing activities associated with POT properties not licensed to the NWSA;
- The NWSA Executive leadership will be the lead for promoting growth of the Puget Sound Gateway's marine cargo, advancing initiatives to improve the efficiency of the marine cargo supply chain and managing customer relations with NWSA marine cargo owners and key logistics service providers. As the larger goods movement system is both diverse and complex, the POT Executive leader will closely coordinate on those cargo owners and service providers whose interests overlap the NWSA and homeport operations.

- Develop a partnership expectation for the NWSA and POT leadership to leverage licensed and non-licensed properties where necessary in support of the Marine Cargo supply chain, including an annual review of properties in the Port of Tacoma that are strategic to the mission of the NWSA.

Adopted by the Commission of the Port of Tacoma at a meeting thereof, held this **6th day of September, 2018**, and duly authenticated in open session by the signatures of the Commissioners present and voting in favor thereof.

Port of Tacoma Commissioners:

Donald G. Meyer

Donald C. Johnson

Clare Petrich

John McCarthy

Dick Marzano