

# Future Management Structure Resolution and Management Structure ILA

September 6, 2018



## Action Requested



Request Commission adoption of Resolution 2018-05-PT, addressing the future management structure.

Request Commission approval of the Management services Interlocal agreement between the Port of Tacoma and the Northwest Seaport Alliance.

- The charter of the NWSA contemplated the need 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”).



The Commission evaluated three alternatives:

1. Stand-alone organizations for the NWSA and the homeports.
  - a. This alternative was eliminated due to the significant costs and time associated with developing separate information technology and increased staffing.

The Commission evaluated three alternatives:

2. Separate Executive Leadership with support services maximized from the homeports.
  - a. This alternative was discussed extensively and ultimately determined to create additional staffing costs beyond the 3<sup>rd</sup> alternative and limited direct management oversight for work being performed on behalf of the NWSA.

The Commission evaluated three alternatives:

3. Separate Leader for the Port of Tacoma with NWSA Executive leadership managing the support services from the Port of Tacoma.
  - a. This alternative was selected as the most cost effective solution while providing separation at the leader level for the NWSA and POT.
  - b. An estimated 70% of the total costs of the POT support services are on behalf of the NWSA as compared to 6% of the total costs to support the Maritime activities at the Port of Seattle.



# Materials Provided



The following supporting materials have been provided to the Commission and the public:

- Resolutions for the Port of Tacoma and NWSA
- The Management services Inter-local agreement
- The Management organization structure diagram with supporting department charges for both homeports
- The NWSA Charter including the original maps of licensed and non-licensed properties
- Current maps showing licensed/non-licensed properties
- The Marine Cargo Supply Chain visual
- The high-level transition plan schedule
- Draft job descriptions for the Port of Tacoma and NWSA leader roles

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