

PORT OF TACOMA COMMISSION
ACTION ITEM MEMO



Item No: 6A
Meeting Date: 3/21/2023

DATE: 3/15/2023
TO: Port of Tacoma Commission
FROM: Eric Johnson – Executive Director
Sponsor: Alisa Praskovich – Chief, Strategic Projects & Commission Relations
SUBJECT: Port of Tacoma and Tacoma School District ILA

A. ACTION REQUESTED

Request authorization for the Executive Director to enter into an Interlocal Agreement (ILA) between Tacoma School District (TSD) and the Port of Tacoma (Port) to provide a framework to engage in a master planning and site assessment process to support the development of a Port-owned property that will include a South Puget Sound Maritime Skills Center operated by TSD, and a Port Maritime Center to meet the business needs of the Port.

B. SYNOPSIS

Since issuing a letter of support to partner with TSD in late 2022 to build a Maritime Skills Center, Port staff have worked with the TSD staff in the development of initial ILA to set forth a framework to conduct a planning and evaluation process to select a design build team for the delivery of shared project goals. In lieu of crafting an overly detailed and lengthy ILA that would take the project through final construction, there will be subsequent ILAs for Commission action on other key project milestones that will include funds authorization for the design build team, project design and contract management costs and processes, site development cost allocations, real property agreements, etc.

In formalizing both the partnership and organizational framework from which TSD and the Port will operate, this ILA supports the Port of Tacoma's 2021 – 2026 Strategic Plan's Foundational Goals of:

Economic Vitality

- EV-3: Develop and support land use and infrastructure policies that protect the cargo supply chain and promote a robust employment base.
- EV-4: Partner with regional organizations to facilitate career development and business growth in Pierce County.

Organizational Success

- OS-4: Plan, design and construct a new Port business workspace that also provides spaces for community engagement and mixed-use opportunities.

Community Connections

- CC-1: Strengthen, build and maintain relationships with a wide variety of public, community and business stakeholders through direct engagement.

C. BACKGROUND

TSD seeks to formally partner with the Port in the development of a world class Maritime Skills Center focused on supporting the future employment needs of the maritime and logistics industry. The mission of the Maritime Skills Center is to offer opportunities for Tacoma high school students and students from throughout the Pierce County and greater South Puget Sound region to receive skills and training that will prepare them for future maritime and logistics industry jobs. In response to their request, in November 2022, the Port's Executive Director sought and gained Port of Tacoma Commission approval to sign a Letter of Support to TSD to work as partners to make the project a reality and contemplated memorializing this commitment in a future ILA. As part of the Letter of Support, the Port indicated its desire to include a new Port Maritime Center to centralize the Port's business needs.

This ILA provides an opportunity for TSD and the Port to create synergies and combine resources and expertise to complete our shared goals around future workforce development and a more publicly accessible maritime business center for the Port. TSD has an impressive background and strong track record of delivering learning center building projects on budget and on time. As a testament to their commitment to building and operating a future Maritime Skills Center, TSD has committed a minimum of \$12 million to the construction of the skills center and to provide construction management services for the project. In February 2023, TSD submitted a \$12 million budget matching request to the WA State Legislature to support the project.

Since 2021, the Port has led several strategic initiatives to lay the essential organizational and strategic groundwork to support developing both the Maritime Skills Center and a new Port Maritime Center. A high-level summary of these initiatives and Commission actions are listed below:

- April 2021: Port of Tacoma Commission adopted Resolution 2021-09-PT to Implement the Port's 2021 – 2026 Strategic Plan with initiatives calling for a new Port Maritime Center and setting workforce development goals.
- February 2022: Port of Tacoma Commission passed a motion to accept the WA State Department of Ecology grant of \$300,000 for work related to conducting an environmental assessment and site reuse planning of Port-owned properties for the potential location of the Port's Maritime Center.
- February 2022: Port of Tacoma Commission adopted Resolution 2022-03-PT to prepare and implement a Workforce Development Strategic Plan.
- August 2022: Port of Tacoma Commission approved the Port of Tacoma's 2023 to 2027 Capital Investment Plan that contemplates construction of a new Port Maritime Center.
- November 2022: Port of Tacoma Commission authorized the Executive Director to sign a Letter of Support to the TSD Superintendent to build a skilled workforce center.

- January 2023: Port of Tacoma staff & Commissioner Ang participate in the TSD kickoff meeting for the Maritime Skills Center Curriculum Advisory Group
- February 2023: Port of Tacoma Commission Special Meeting on a Maritime Skills Center and Port Maritime Center Development Study Session.
- March 2023: Port of Tacoma and TSD staff participate in a 4-hour Progressive Design Build training session to understand alternative project delivery methods.
- March 21, 2023: ILA presented to Port of Tacoma Commissioners for approval.

The need to prepare a future maritime workforce and sustain our state's competitive edge requires an integrated approach of high school and college-level curriculum that results in the attainment of industry-recognized credentials, certifications and training. The Maritime Skills Center's mission is to offer opportunities for Tacoma high school students and students from school districts throughout Pierce County to receive skills and training that will prepare them for priority industry employment needs, as identified by the Port and industry partners. Lastly, a new Port Maritime Center for essential Port business operations is a key strategic objective to ensure both organizational success as well as provide a more publicly accessible space for community engagement and other mixed-use opportunities. This ILA creates an exceptional opportunity to explore co-location of these facilities in a way that embraces sound financial practices and the Port's commitment to drive prosperity for our stakeholders and community.

D. FINANCIAL IMPACT

No additional costs for this initial ILA.

E. NEXT STEPS

Once approved by Port Commission, TSD will present the ILA to their School Board on March 23rd for approval. Once the ILA is signed by all parties, the Port and TSD staff will begin the steps necessary to submit the alternative project delivery method application to the WA State Capital Projects Advisory Review Board (CPARB) and its Project Review Committee (PRC), continue with the site condition assessments of Port-owned properties for the potential location of the project, and begin work on issuing a Request for Qualifications for a design build team.