

# Delegation of Authority Briefing and Commission/Staff Roundtable Discussion

# Master Delegation of Authority - Purpose

- Created to define and differentiate levels of authority for governing and operating the Port of Seattle.
- Goals of the resolution: provide for both the necessary accountability and public trust and the need to run the day-to-day operations of the Port in as efficient and cost-effective a way as possible.
- The results of this discussion will be fed back into current efforts to revise the Delegation of Authority.



# Historical Context

- Ports in Washington set up to be run by an elected Commission, unique among Port authorities in the United States. Port's authority flows from the people of King County to the Commission, which delegates authority to the CEO
- Originally Port Commission made all important executive decisions
- As Port grew in mission complexity and infrastructure, an organizational structure created that was akin to a standard corporate structure
- This structure and its relation to the Commission necessitated the creation of a CEO/Commission governance agreement



# SAO Performance Audit

- December 2007: Audit from the SAO on contracting practices. Major recommendation called for the Port Commission to re-evaluate the then-current Delegation of Authority Resolution, and develop one that more clearly defined the authority and oversight of the Commission.
- Resolution No. 3605:
  - Clarified the relationship between the Commission and the CEO that allows the Commission to set broad policy goals and the CEO to provide the operational capacity to implement those goals.
  - Improved the quality of information available to the Commission so that it could approve expenditures, both long-term and annual, in a fiscally responsible way.
  - Made the procedures the Commission followed in approving expenditures transparent, so that the public understood not only what spending the Commission was authorizing, but how each step of the approval process was crucial to the oversight role the Commission plays in directing funds for the public benefit.



# Questions to Consider

- How/Where Should the Commission oversee spending?
- How do strategic programs like the Century Agenda affect the Master Delegation of Authority? How well can they realistically be integrated into the business plans or 5-year Plan of Finance?
- The Commission has both oversight and policy decisions in major programs. At what point is their authority warranted? What do they bring to the decision loops that exist?
- How well does setting a numerical level for project authorization provide a guide for policy decision authority? What is an appropriate level?
- Does the system of notifications provide value? Are there better ways to provide that information? Does the Commission need this authority? Does it provide value to the efficiency of project management?



# Major Revisions

- Preamble: Roles and Responsibilities of the Commission and the relationship to the CEO
  - Section 1: Roles and responsibilities of the CEO, budget process
  - Section 4: Public works projects – authorizations, changes, reporting, emergency and critical work, budget transfers, small works
  - Section 5: Non-public works projects
  - Section 6: Contracts, procurements, competition, sole source contracts
  - Section 7: Personal service contracts, professional service and procurement contracts
  - New sections: Interlocal agreements and project labor agreements
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