

PORT OF SEATTLE
MEMORANDUM

COMMISSION AGENDA
ACTION ITEM

Item No.	<u>4i</u>
Date of Meeting	<u>February 23, 2016</u>

DATE: February 5, 2016

TO: Ted Fick, Chief Executive Officer

FROM: Tom Tanaka, Senior Port Counsel
Dan Thomas, Chief Financial Officer

SUBJECT: Authorization for Chief Executive Officer to Execute an Interlocal Agreement with the Northwest Seaport Alliance (“NWSA”) to Implement a Series of Support Service Agreements to Allow Port Staff to Provide Services to the NWSA

ACTION REQUESTED

Request Commission authorization for the Chief Executive Officer to execute an interlocal agreement (ILA) with the Northwest Seaport Alliance (NWSA) to implement a series of support service agreements to allow Port staff to provide services to the NWSA.

SYNOPSIS

The NWSA will require service support from different departments at the Ports of Seattle and Tacoma. The means to provide these support services is through an ILA between the NWSA and the ports. The Port of Seattle commissioners, representing the Port of Seattle as an NWSA Managing Member, have previously approved these support service agreements. The costs for these support service agreements are included in both the Port’s and NWSA’s 2016 budgets.

BACKGROUND

The Ports of Seattle and Tacoma created the NWSA in August 2015 to jointly manage the two ports' marine cargo facilities. The NWSA will need support and services from both ports in order to carry out its various administrative functions and operations. Each port intends to execute an ILA with NWSA to allow the ports to provide those services for 2016.

The two Managing Members (the two ports as represented by their respective commissioners) of the NWSA approved entering into an ILA with each port on October 27, 2015. The Port of Tacoma approved its ILA with the NWSA on November 17, 2015. The Port of Seattle approved its budget on November 24, 2015, but no separate action has yet been taken to approve the ILA. The Port of Seattle budget included the budgeted amounts for the proposed ILA service agreements with the NWSA.

There are 19 support service agreements that will be implemented as part of this agreement for 2016 and are attached as exhibits to the ILA.

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The form of the proposed ILA is attached as Exhibit 21.

REQUEST JUSTIFICATION AND DETAILS

The NWSA will require support services from both the Ports of Seattle and Tacoma in order to carry out its functions. Each port will provide these support functions through an ILA that describes the services to be provided.

The proposed ILA is included as Attachment A. There are 19 service directives that are attached as exhibits to the ILA. The list of those exhibits is as follows:

- Exhibit 1: Accounting, Finance, Treasury and Risk Management
- Exhibit 2: Information Technology
- Exhibit 3: Public Affairs
- Exhibit 4: Managing member and Executive
- Exhibit 5: Legal and Public Records
- Exhibit 6: Labor Relations
- Exhibit 7: Capital Development Support Services
- Exhibit 8: Human Resources
- Exhibit 9: Port of Seattle Police
- Exhibit 10: Central Procurement Office
- Exhibit 11: Contract Security
- Exhibit 12: Environmental and Planning
- Exhibit 13: Maritime Maintenance
- Exhibit 14: Maritime Finance
- Exhibit 15: Pier 69 Facilities Management
- Exhibit 16: Portfolio Management
- Exhibit 17: Tribal Coordination
- Exhibit 18: Office of Social Responsibility
- Exhibit 19: Additional Support Services as Needed

FINANCIAL IMPLICATIONS

The amounts required to provide the services to the NWSA were included in the Port's 2016 budget (approved on November 24, 2015). The cost allocations for the support service agreements were included in the Port of Seattle 2016 budget and are described in Attachment B.

STRATEGIES AND OBJECTIVES

The NWSA will help the Port achieve its cargo, job creation, and environmental goals as set forth in the Century Agenda.

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ATTACHMENTS TO THIS REQUEST

- Attachment A (Interlocal Agreement, including 19 service directives attached as exhibits).
- Attachment B (cost allocations for the service directives).

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

None