



**COMMISSION  
AGENDA MEMORANDUM**

**Item No.** 4c

**ACTION ITEM**

**Date of Meeting** October 24, 2017

**DATE:** October 16, 2017

**TO:** Dave Soike, Interim Executive Director

**FROM:** Dave Caplan, Senior Director, Strategic Initiatives

**SUBJECT:** Adoption of 2018-2022 Long Range Plan

**ACTION REQUESTED**

Request Commission approval of the 2018 – 2022 Long Range Plan.

**EXECUTIVE SUMMARY**

This approval request is for adoption and implementation of the 2018-2022 Long Range Plan (LRP). The LRP is an official document that contains the five-year plans to achieve the Century Agenda and High Performance Organization (HPO) strategies.

The Century Agenda LRP lists sixteen objectives distributed among four strategies. The High Performance Organization portion of the LRP lists eleven objectives distributed among five strategies. Each objective lists 1 – 4 key priority actions that the Port of Seattle is focused on from 2018 – 2022. Each priority action lists 1 –5 milestones to be achieved in 2018.

The Commissioners raised the following points in the Oct. 10<sup>th</sup> request for approval:

- Century Agenda Objective 1: GROW SEAPORT ANNUAL CONTAINER VOLUME TO MORE THAN SIX MILLION TWENTY-FOOT EQUIVALENT UNITS (TEUs). It was requested we develop actions to impact the customer container demand of the Northwest Seaport Alliance (NWSA).

To this end, the following milestone has been added:

“Explore opportunities to expand utilization of Foreign Trade Zone #5 in partnership with NWSA and other public/private stakeholders.”

- Century Agenda Objective 10: “INCREASE THE PROPORTION OF FUNDS SPENT BY THE PORT WITH QUALIFIED SMALL BUSINESS FIRMS ON CONSTRUCTION, CONSULTING, GOODS AND SERVICES TO 40 PERCENT OF THE ELIGIBLE DOLLARS SPENT.” It was noted

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the recommendation for measuring the number of WMBE suppliers, as well as the dollars spent, was not stated in the metrics.

The language below was originally shown in the master draft, but not included in the LRP draft booklet. This has now been corrected as shown below:

**KEY METRICS**

- Number of Women and Minority owned businesses
- Percent of Port spend on Small Business
- Percent of Port spend on Women and Minority owned business

In addition, Commission discussed updating the Century Agenda to reflect the importance of Women and Minority owned businesses, as well as Veteran owned businesses. The Commission is in the process of reviewing Century Agenda Objective 10.

**JUSTIFICATION**

The LRP development represents the efforts of cross-functional teams at the Port to align our actions and tasks with the Century Agenda’s strategies and objectives. Its implementation will allow the Port to more effectively and transparently improve the Port’s ability to support the local economy by creating 100,000 new jobs for the Puget Sound region, while addressing key environmental, social and fiscal priorities of all its stakeholders.

With Commission approval, the LRP will serve as a guide for the 2018 Budget planning cycle.

**DETAILS**

On May 12, 2015, Port Commission approved the motion to adopt Resolution 3704, also known as the General Delegation of Authority from the Port Commission to the Executive Director, which incorporated into the Delegation of Authority and process to develop policy directives and aimed to provide tools, baseline data, and metrics for implementing, monitoring and reporting on progress on the Century Agenda over a rolling five-year planning period. In addition, the LRP links the Century Agenda to each of the Port’s individual Business Plans.

In order to ensure a “One-Port” participation and ownership of the Century Agenda, various cross-functional internal LRP development teams were created between June and September 2015. These teams include Aviation, Maritime, Small Business Development, Workforce Development, Environmental, and High Performance Organization (combining operational excellence and organizational alignment).

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### ***Scope of Work***

The scope and goals for the Long Range Plan Process are as follows:

- Scope:
  - Develop a LRP for the period of 2018 – 2022, which provides the tools needed to implement the Century Agenda and HPO strategies and achieve the Century Agenda/HPO objectives.
- Goals:
  - Integrate and optimize Port efforts and outcomes across business lines and Port functions.
  - Develop and/or enhance partnerships in support of the Century Agenda and implementation of the Century Agenda strategies and objectives.
  - Provide baselines which allow for clear tracking of progress toward Century Agenda strategies and objectives.
  - Develop metrics to effectively track and report on progress.
  - Ensure that the LRP supports best practices, and enhances the HPO, emphasizing organizational alignment and operational excellence.

### **ADDITIONAL BACKGROUND**

The web based LRP begins with a “Letter to the Community” from the Commission and Interim Executive Director followed by introductory information about the Port and an overview of the Century Agenda and the Strategic Planning Cycle, with an integrated schedule of the key strategic planning areas.

A significant amount of the LRP is dedicated to demonstrating how the staff intends to achieve the Century Agenda and High Performance Organization. Additionally, the LRP includes a scorecard that provides a summary of all the LRP strategic objectives and their performance to the plans.

### **ATTACHMENTS TO THIS REQUEST**

- (1) Proposed 2018-2022 Long Range Plan Book - PDF
- (2) PowerPoint Overview Presentation

### **PREVIOUS COMMISSION ACTIONS OR BRIEFINGS**

- October 10, 2017: 2018-2022 LRP Request for Approval
- September 26, 2017: Final 2018-2022 LRP Draft Review
- July 25, 2017: 2018-2022 LRP Draft Review
- March 28, 2017: LRP Semi-Annual Review
- August 9, 2016: 2017-2021 LRP Request for Authorization
- July 26, 2016: LRP Management Update & Century Agenda Scorecard Study Session
- May 17, 2016: LRP briefing on Maritime & High Performance Organization

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- April 26, 2016: LRP briefing on Environment
- April 12, 2016: LRP briefing on Workforce Development
- March 22, 2016: LRP briefing on Aviation and Small Business Development
- January 26, 2016: Office of Strategic Initiatives Update
- July 13, 2015: Commission Retreat on the LRP at Cedarbrook Lodge
- May 12, 2015: Second Reading and Final Passage of Resolution No. 3704: A Resolution of the Port of Seattle Commission repealing portions of Resolution No. 3605, as amended, and adopting the General Delegation of Authority from the Port Commission to the Executive Director
- March 10, 2015: First Reading on Resolution No. 3704: A Resolution of the Port of Seattle Commission repealing portions of Resolution No. 3628 and adopting the General Delegation of Authority from the Port Commission to the Executive Director (“General Delegation”)
- February 24, 2015: Proposal on new Delegation of Authority and process to develop policy directives
- December 4, 2012: Port of Seattle Commission adoption of the Century Agenda