

PORT OF SEATTLE

MEMORANDUM

COMMISSION AGENDA
STAFF BRIEFING

Item No. 7a
Date of Meeting February 24, 2015

DATE: February 9, 2015
TO: Port of Seattle Commission
Ted Fick, Chief Executive Officer
FROM: Tom Barnard, Research and Policy Analyst
Lindsay Wolpa, Issues and Policy Manager
SUBJECT: Proposed new General Delegation of Authority, replacing Resolutions No. 3605/3628, and setting up Policy Directive efforts

SYNOPSIS

The purpose of this briefing is to outline the content and rationale behind the new draft General Delegation of Authority from the Commission to the Chief Executive Officer (“CEO”). This will be a replacement for the current Resolutions No. 3605/3628 (referred to as the “Master Delegation of Authority”). After adoption of the new General Delegation of Authority (“General Delegation”), further policy guidance will follow. This will come through a set of “Policy Directives” which inform operational policies regarding specific functions at the port and set appropriate limits.

BACKGROUND

The General Delegation of Authority

The Port of Seattle is a public agency critical to sustaining a healthy economy for the region. The port’s mission, adopted as part of the Century Agenda on December 4, 2012, is to create jobs by advancing trade and commerce, promote industrial growth, and stimulate economic development.

The Century Agenda’s strategies, objectives, and regional initiatives represented a more proactive and strategic approach to the coordination of the administrative programs and operations of the Port of Seattle. The Century Agenda vision over the next 25 years is to add 100,000 jobs through economic growth, for a total of 300,000 port-related jobs in the region, while reducing our environmental footprint.

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The Commission is updating the current Master Delegation of Authority, originally adopted through Resolution No. 3605 on August 26, 2008, to more successfully pursue the aims of the Century Agenda. The new General Delegation creates clarity and alignment by clearly delineating the responsibility and authority of the Commission and the CEO as follows:

- The Commission governs the Port, leads all inter-governmental functions, and oversees the CEO.
- Together, the Commission and CEO develop the Port's overall vision, strategies, objectives, Policy Directives, long-range plans, major programs and budgets.
- The CEO executes the long-range plans and major programs, oversees all enterprises and supporting functions, and advises the Commission.

This General Delegation emphasizes long-range plans as the means of pursuing the Century Agenda strategies and objectives (long-range plans are currently known as business plans). It utilizes the long-range plan approval and update processes to align the Commission and the CEO. Long-range plans will identify what work needs to be done to pursue strategies and achieve objectives, described by:

1. Strategy and objective(s) being pursued;
2. Work plan, resources, and timeline;
3. Metrics that monitor progress; and
4. Reporting frequency to the Commission.

Long-range plans will be developed around strategies and objectives, not around operating divisions and budgeting periods.

Policy Directives

The General Delegation provides transparency and accountability through the development and adoption of Policy Directives to guide the Port's efforts in pursuit of its strategic objectives. Policy Directives will provide high-level guidance about how the Port does its work based on public values and applicable laws, rules and regulations. Further, they will inform operational policies regarding specific functions at the port. They also will deliver standards that support the effective use of the internal audit function to verify compliance.

- Policy Directives provide principles and guidelines that steer crucial strategic choices. Policy Directives reconcile the inherent tradeoffs between enterprise effectiveness and commitments to social and environmental responsibility as a public agency.

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- Policy Directives set out the limits of delegated authority and provide auditable standards that reinforce compliance and accountability.
- Policy Directives empower Port staff to develop long-range plans and execute strategies by providing a stable and clear policy environment.

Temporary Policy Committees will be created to oversee the development of Policy Directives called for in the new General Delegation. These groups will be a collaborative effort between Commissioners and Port staff, led by least two Commissioners appointed by the Commission Co-Presidents. Internal and external subject matter experts will be engaged as needed. Participation in these working groups will vary by topic.

Potential focuses for suggested policy committees may include:

- *Energy and Sustainability*
- *Project Management, Contracting, and Purchasing*: Once developed and approved, the Policy Directive from this committee will replace Sections 4, 5, 6, 7, and 8 in Resolution No. 3605/3628. (Public Works Projects, and non-public Works Projects, Contract and Procurement Administration, Personal and Professional, Purchased Goods contracts, CEO Utilization of Port Crews).
- *Real Property Sales, Development, and Leasing*: Once developed and approved, the Policy Directive from this committee will replace Sections 2 and 3 in Resolution No. 3605/3628. (Real Property agreements, Property Acquisitions and Sales).
- *Strategic Economic Development*
- *Workforce Development, Social Responsibility, and Labor*
- *Small and Disadvantaged Business*

Steps to enact the new General Delegation

The process behind the enactment of the new General Delegation will take several steps. These Policy Directives will be developed over the next several months. The suggested steps include:

1. Amend Resolution No. 3605/3628 to include the new General Delegation and repeal several existing sections.
2. Adopt a motion to create Policy Committees to develop each specific Policy Directive.
3. As each Policy Directive is established, enact them by resolution while at the same time repealing the corresponding section in Resolution No. 3605/3628.

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4. Once all Policy Directives and resolutions are completed and adopted, combine them in a full resolution with the General Delegation of Authority and officially sunset Resolution No. 3605/3628 in its entirety.

ATTACHMENTS TO THIS BRIEFING

- General Delegation of Authority
- Draft Resolution No. XXXX enacting General Delegation
- Draft Motion creating Policy Committees
- Draft Motion regarding Formulation and Establishment of Energy and Sustainability Policy Directives
- PowerPoint presentation

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

- None

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