

PORT OF SEATTLE
MEMORANDUM

COMMISSION AGENDA
ACTION ITEM

Item No.	<u>4f</u>
Date of Meeting	<u>March 24, 2015</u>

DATE: March 19, 2015
TO: Ted Fick, Chief Executive Officer
FROM: Thomas H. Tanaka, Senior Port Counsel

SUBJECT: Request for Commission authorization to execute a First Amendment to the Seaport Alliance Interlocal Agreement with the Port of Tacoma to extend its duration term past March 30, 2015

ACTION REQUESTED

Request Commission authorization to execute a First Amendment to the Seaport Alliance Interlocal Agreement with the Port of Tacoma to extend its duration term past March 30, 2015.

BACKGROUND

The Port of Seattle and Port of Tacoma commissions approved an Interlocal Agreement on October 14, 2014 to document their mutual intention to negotiate the terms of a seaport alliance (“Alliance”) to manage each ports marine cargo facilities. The ports took this action under RCW 39.34 (Interlocal Cooperation Act), RCW 53.08.240 (the joint powers authority that allows two ports to cooperate), and the Shipping Act of 1984. This interlocal agreement is referred to as the “Framework ILA.”

As the Framework ILA states, the continued competitiveness of the Puget Sound gateway would be enhanced by leveraging the strengths of each port to reach shared goals for the region and the state in ways that either port acting alone could not achieve.

As envisioned by the Framework ILA since its adoption in October, 2014 the Commissions, management and staff of the two Ports have worked together to conduct due diligence on Alliance issues, including Alliance structure, governance, operations, funding, staffing and developing an Alliance transition plan. This transition plan will help to inform the final Alliance agreement that will ultimately be considered for final Commission adoption and approval by the Federal Maritime Commission and will guide the Alliance during its initial post-FMC and Commissions’ approval period.

The Framework ILA initially provided for a duration term through the sooner of the two port’s execution of the Seaport Alliance Agreement or March 31, 2015. The work has proceeded but the parties need more time to complete the work on the agreement. This First Amendment modifies that duration language to extend the term as follows:

COMMISSION AGENDA

Ted Fick, Chief Executive Officer

March 19, 2015

Page 2 of 2

C. Effectiveness and Duration. This ILA is effective upon the date of execution by both Ports, which will follow each Port's commission adoption. This ILA will remain in effect ~~until the sooner of the Ports' execution of the Seaport Alliance Agreement or March 31, 2015, unless extended by mutual agreement of the Ports and~~ unless terminated by either the POS or POT commission.

Further Commission action is expected in April or May 2015.

ATTACHMENTS TO THIS REQUEST

- Proposed First Amendment to the Interlocal Agreement Between the Ports of Seattle and Tacoma Relating to the Creation of a Joint Seaport Alliance

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

- None.